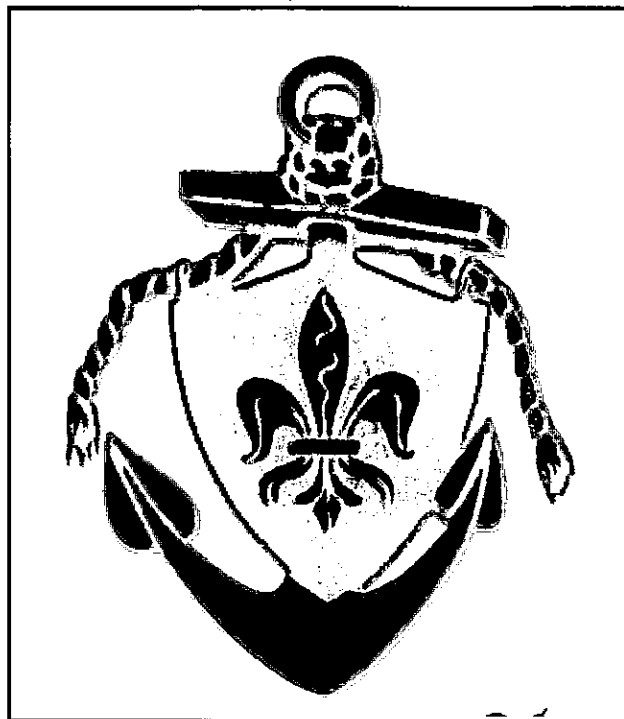


SWELLENDAM MUNICIPALITY

PROVINCIAL TREASURY WESTERN CAPE PRIVATE BAG X9165 CAPE TOWN 8000
2018-03-31
7 WALE STREET, CAPE TOWN 8001 BUSINESS INFORMATION AND DATA MANAGEMENT

2018/2019 MTREF



Medium Term Revenue and Expenditure Framework

Prepared in terms of the local government:

Municipal Finance Management Act

(56/2003): Municipal Budget and Reporting

Regulations, Government Gazette 32141, 17

April 2009.

ANNUAL DRAFT BUDGET 2018/2019

SWELLENDAM
MUNICIPALITY

**“Shared
prosperity
through
co-operative
participation”**

29 March 2018





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Glossary

Adjustments Budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from provincial or national government or other municipalities.

AFS – Annual Financial Statements.

Budget – The financial plan of the Swellendam Municipality.

Budget Related Policy – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy.

Capital Expenditure – Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the municipality's Statement of Financial Position.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

CFO – Chief Financial Officer of the Swellendam Municipality.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The standard for municipal accounting and basis upon which the AFS are prepared.

IDP – Integrated Development Plan. The main strategic planning document of the municipality.



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KPI's – Key Performance Indicators. Measures of service output and/or outcome.

MBRR – Local government: Municipal Finance Management Act (No. 56 of 2003): Municipal budget and reporting regulations.

MFMA – The Municipal Finance Management Act (No. 56 of 2003). The principle piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous three years and current years' financial position.

NT – National Treasury

Net Assets – Net assets are the residual interest in the assets of the entity after deducting all of its liabilities. This means the net assets of the municipality equates to the "net wealth" of the municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.

Operating Expenditure – Spending on the day to day expenses of the municipality such as salaries and wages.

Rates – Local government tax based on the assessed value of a property. To determine the rates payable, the assessed ratable value is multiplied by the rate in rand.

R&M – Repairs and maintenance on Property, Plant and Equipment.

SCM – Supply Chain Management.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of the municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorized expenditure – Generally, spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement Policy – The policy that sets out the rules for budget transfers.



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Vote – One of the main segments into which a budget is divided. In Swellendam Municipality this means at directorate level. The votes for Swellendam therefore are:

- Municipal Manager;
- Corporate Services;
- Financial Services;
- Engineers Services; and
- Community Services



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Part 1 – Annual Budget

Section 1 – Mayor's Report

MY COMPREHENSIVE REPORT WILL BE INCLUDED IN THE FINAL BUDGET WHICH WILL BE TABLED AT THE END OF MAY 2018

For the interim I wish to give a summary of what my intent was with the compiling process of the 2018/19 budget and what we as council envisage to achieve with it. Broadly, the following principles were followed:

Once again we are reminded that given on-going economic pressures, the revenue side of the municipal budget will continue to be constrained, so we will need to make some very tough decisions on the expenditure side of the budget.

Priority still needs to be given to:

- Ensuring that drinking water and waste water management meets the required quality standards at all times;
- Protecting the poor;
- Ensuring that *public investments, services, regulations and incentives* are focussed in defined spatial areas (spatial targeting) to optimise overall connectivity and access to opportunities;
- Providing clear signals to private sector;
- Transport, human settlements, bulk infrastructure, economic infrastructure, land use management (e.g. zoning), tax and subsidy incentives;
- Supporting meaningful local economic development (LED) initiatives that foster micro and small business opportunities and job creation, especially through the jobs fund project;
- Securing the health of the asset base (especially the municipality's revenue generating assets) by increasing spending on repairs and maintenance;
- Expediting spending on capital projects that are funded by conditional grants; and
- Implementing cost containment measures.

Furthermore we must also ensure that the capital budget reflects consistent efforts to address the backlogs in basic services and the renewal of the infrastructure of existing network services.



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Section 2 - Council Resolutions

The Annual Budget will be presented to council for final approval in terms of section 24 of the Municipal Finance Management Act (No. 56 of 2003) at the council meeting scheduled for May.

The annual budget for the financial year 2018/19 contains multi-year and single-year capital appropriations as set out in the following tables:

- Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Section 4 of the annual budget report Table A2;
- Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Section 4 of the annual budget report Table A3;
- Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Section 4 of the annual budget report Table A4; and
- Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Section 4 of the annual budget report Table A5.

The annual budget as tabled for the financial year 2018/19 also contains the financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:

- Budgeted Financial Position as contained in Section 4 of the annual budget report Table A6;
- Budgeted Cash Flows as contained in Section 4 of the annual budget report Table A7;
- Cash backed reserves and accumulated surplus reconciliation as contained in Section 4 of the annual budget report Table A8;
- Asset management as contained in Section 4 of the annual budget report Table A9; and
- Basic service delivery measurement as contained in Section 4 of the annual budget report Table A10.

The proposed tariffs, charges and fees for 2018/19 for property rates; electricity services; water services; sanitation services; solid waste services and other services charges are set out in Annexure A.

Budget related policies

The contents of the annual budget is set out in section 17 of the MFMA. In terms of section 17(3)(e) of the MFMA the budget proposals must also contain proposed amendments to the budget related policies.

The following budget related policies currently exist and have been circulated by email to all councillors, as it is too costly to circulate printed copies:

- Customer care and debt collection policy
- Asset Management, Infrastructure Investment, Funding and Reserve Policy
- Supply Chain Management Policy
- Budget Policy
- Banking Cash Management and Investment Policy
- Tariff Policy



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- Bad Debt Write-Off Policy
- Preferential Procurement Policy
- Petty Cash Policy
- Irregular Expenditure Policy
- Funding and Reserve Policy
- Borrowing Policy
- Indigent Policy
- Rates Policy
- Financial borrowing policy



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Section 3 - Executive Summary

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

National Treasury's MFMA Circular No. 89 and 91 were used to guide the compilation of the 2018/19 MTREF.

The following table is a consolidated overview of the proposed 2018/19 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview

	Adjustment Budget 2017/18 R'000	Original budget 2018/19 R'000	% Change
Total Operating Revenue	240 134	255 735	6%
Total Operating Expenditure	242 400	264 396	9%
Surplus / (Deficit)	- 2 266	8 661	282%
Capital Expenditure	22 379	16 975	-24%

The total operating revenue has increased by 6% in the 2018/19 financial year when compared to the 2017/18 adjustment budget, but on the other hand operating expenditure has increased by 9% in the 2018/19 financial year.

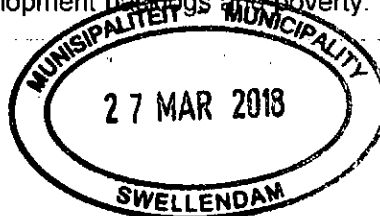
Total operating expenditure for the 2018/19 financial year has been appropriated at R264.3 million, resulting in an operating budgeted deficit of R8.661 million.

However, when the non-cash entries are deducted, a cash surplus of R2.129 million is realizing. Therefor the budget is cash funded.

The capital budget of R16.975 million for 2018/19 is 24% lower when compared to the 2017/18 adjustment budget. The capital budget will be funded from Conditional Grants as well as the Capital Replacement Fund. The Capital Replacement Fund will contribute R5.5 million of the capital expenditure. There is very little scope to accommodate an increase in the existing borrowing levels over the medium-term and for this reason the capital program as reflected in the IDP and consequently requested by the officials in the annual budget input process was absolutely cut to a level which is realistic and affordable.

3.1 Operating Revenue Framework

For Swellendam to improve the quality of services to its citizens, it needs to generate the required revenue to fund the costs of delivering the services as anticipated. In these tough economic times strong revenue management is fundamental to the financial sustainability of this municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to



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address these challenges will inevitably always exceed available funding; hence difficult choices has to be made in relation to tariff increases and balancing expenditures, such as employee cost against realistically anticipated revenues.

The following table is a summary of the 2018/19 MTREF (classified by main revenue source):

Table 2 - Summary of revenue classified by main revenue source

WC034 Swellendam - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description		Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	1		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source												
Property rates	2		26 409	29 287	32 603	34 956	36 791	36 791	36 791	36 511	38 519	40 638
Service charges - electricity revenue	2		51 632	61 074	67 088	69 609	69 536	69 556	69 556	78 193	82 434	87 631
Service charges - water revenue	2		10 577	11 795	13 589	14 100	13 569	13 569	13 569	17 285	18 236	19 239
Service charges - sanitation revenue	2		11 976	10 805	12 442	13 068	13 305	13 305	13 305	14 144	14 922	15 743
Service charges - refuse revenue	2		7 537	5 844	7 521	8 113	8 113	8 113	8 113	8 461	8 927	9 417
Service charges - other			5	(79)	(285)	64	-	-	-	-	-	-
Rental of facilities and equipment	1 229		1 403	1 387	1 570	499	499	499	499	525	554	584
Interest earned - external investments	1 549		2 774	3 536	2 461	3 290	3 200	3 200	3 200	3 366	3 552	3 747
Interest earned - outstanding debtors	1 061		1 914	1 729	2 067	885	885	885	885	941	993	1 048
Dividends received			-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	19 656		26 089	33 048	26 818	26 666	26 666	26 666	26 666	26 052	29 585	31 223
Licences and permits	1 235		875	940	896	815	815	815	815	857	904	954
Agency services	1 297		1 523	1 654	1 705	1 464	1 464	1 464	1 464	1 540	1 625	1 714
Transfers and subsidies	61 560		45 005	35 095	37 264	43 066	43 066	43 066	43 066	49 678	57 084	50 337
Other revenue	2		6 703	7 191	5 150	1 807	3 317	3 317	3 317	3 490	3 682	3 884
Gains on disposal of PPE			259	1 817	1 038	2 000	500	500	500	1 000	1 900	2 000
Total Revenue (excluding capital transfers and contributions)			202 707	209 374	216 552	216 521	221 755	221 755	221 755	244 244	262 086	267 559

Revenue generated from rates and service charges forms a significant percentage of the revenue basket of the municipality. Rates and service charge revenues comprise 60,45% of the total revenue mix. The percentage revenue generated from rates and service charges in comparison with total revenue is largely due to the share that the sale of electricity contributes to the total revenue mix. This also clearly indicated that the municipality's revenue base is very dependent on the sale of electricity and thus any external decision impacts it, influencing the revenue in particular and the entire total budget. This electricity sensitivity is not healthy for the municipality and could have a severe impact if this important revenue resource is threatened by external factors and/or if it is to be withdrawn as a critical function from municipalities. The above table includes revenue foregone and tax rebates arising from discounts and rebates associated with the tariff policies of the municipality, as the revenue indicated reflects net figures.

Operating grants and transfers represent R49.878 million in the 2018/19 financial year. This amount and the amounts for the outer years are minimum guaranteed transfers from national government as gazette in the latest DORA. The aforementioned amount has a direct link to expenditure on operational grants and is only recognized as revenue when the conditions of the transfers made has been met. It might differ from the grants received.

The following table gives a breakdown of the various capital grants and subsidies allocated to the municipality over the medium term as proclaimed in the government gazette:



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Table 3 Operating Transfers and Grant Receipts

WC034 Swellendam - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		24 413	25 828	27 537	31 449	31 882	31 882	34 332	38 058	38 847
Local Government Equitable Share		20 938	21 922	24 012	26 201	26 201	26 201	28 001	31 535	34 311
Finance Management		1 500	1 600	1 625	1 700	1 700	1 700	1 770	1 770	1 770
Integrated National Electrification Programme		—	—	—	248	285	285	246	668	417
Municipal Systems Improvement		—	505	154	—	—	—	—	—	—
Municipal Infrastructure Grant (MIG)		570	584	570	2 011	2 406	2 406	2 050	2 076	2 149
EPWP Incentive		1 305	1 215	1 177	1 291	1 291	1 291	1 288	—	—
Other transfers/grants (insert description)		—	—	—	—	—	—	—	—	—
Provincial Government:		38 871	18 288	8 478	5 815	11 183	11 183	15 549	21 034	11 898
Graduate Grant		58	—	15	—	111	111	—	—	—
Capacity Building		—	—	—	—	240	240	360	—	—
SETA		381	472	271	—	255	255	—	—	—
Finance Management		706	1 050	702	290	—	—	—	—	—
mSOGA Grant		—	—	—	—	330	330	330	—	—
Maintenance of Main Roads		—	—	—	—	50	50	—	—	—
Human Settlement Development		35 312	7 088	1 289	850	5 485	5 485	9 780	15 730	6 000
Replacement kinderg Library		517	1 537	4 143	4 675	4 675	4 675	5 026	5 304	5 898
WESGRO		—	250	58	—	37	37	—	—	—
Other transfers/grants (insert description)		—	—	—	—	—	—	—	—	—
District Municipality:		—	—	—	—	—	—	—	—	—
(insert description)		—	—	—	—	—	—	—	—	—
Other grant providers:		—	—	—	—	—	—	—	—	—
(insert description)		—	—	—	—	—	—	—	—	—
Total Operating Transfers and Grants	5	61 384	38 223	34 015	37 264	43 068	43 068	49 878	57 084	50 337
Capital Transfers and Grants										
National Government:		10 829	14 190	12 844	14 810	13 224	15 224	11 491	14 313	12 898
Municipal Infrastructure Grant (MIG)		10 829	11 100	10 982	10 058	13 190	13 190	8 736	9 861	10 207
Integrated National Electrification Programme		—	3 000	1 682	1 754	2 034	2 034	1 754	4 452	2 783
Maintenance of Main Roads		—	—	—	—	—	—	—	—	—
Human Settlement Development		—	—	—	3 000	—	—	—	—	—
Other capital transfers/grants (insert desc)		—	—	—	—	—	—	—	—	—
Provincial Government:		—	—	—	—	3 588	3 588	—	—	—
Human Settlement Development		—	—	—	—	3 000	3 000	—	—	—
WESGRO		—	—	—	—	588	588	—	—	—
District Municipality:		—	—	—	—	—	—	—	—	—
(insert description)		—	—	—	—	—	—	—	—	—
Other grant providers:		—	—	—	—	—	—	—	—	—
(insert description)		—	—	—	—	—	—	—	—	—
Total Capital Transfers and Grants	5	10 829	14 190	12 844	14 810	16 812	18 812	11 491	14 313	12 898
TOTAL RECEIPTS OF TRANSFERS & GRANTS		72 213	52 413	46 859	52 074	59 880	61 880	61 369	71 397	63 235



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Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the upper limit (ceiling) of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilized for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity, petrol, diesel, chemicals, cement etc. For this reason the existing and prescribed inflation rate of $\pm 5.5\%$ is merely impossible to be instituted as benchmark in determining the anticipated cost increases. The current challenge the municipality is facing is to manage the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions.

Municipalities have to review the level and structure of their water and sanitation tariffs carefully with a view to ensure that water and sanitation tariffs are on aggregate fully cost-reflective – inclusive of bulk cost of water, the cost of maintenance and renewal of purification/treatment plants and network infrastructure and the cost of new infrastructure. Water and sanitation tariffs must also be structured to protect basic levels of service and water and sanitation tariffs are designed to encourage efficient and sustainable consumption (e.g. through inclining block tariffs).

However, during the past few years, council has approved water tariffs which have not realized sufficient funds to make a substantial profit. To rectify this problem it was decided that the 6 kiloliter of free water for residential properties, excluding indigent households, will be changed to R5 per kiloliter.

The proposed tariff increases are set at:

- Property rates - 9.5 % (No fixed percentage increase, due to the implementation of the general valuation roll. The 9.5% indicates total income increase, with a decrease in the tariff of 19%.)
- Electricity - 6% (to be determined by NERSA)
- Water (units) - 20% (depending on usage)
- Refuse Removal - 8%
- Sewerage - 7%

Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on income range middle and affordable households, as well as on indigent households receiving free basic services.



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Table 5- Household bills

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water

WC034 Swellendam - Supporting Table SA14 Household bills

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19 % Incr.	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		444,50	480,08	518,00	567,00	567,00	567,00	(18,6%)	451,42	486,37	513,08
Electricity: Basic levy		247,25	255,00	270,00	275,00	275,00	275,00	5,5%	290,00	305,66	436,93
Electricity: Consumption		1 206,07	1 340,20	1 435,70	1 491,00	1 491,00	1 491,00	6,6%	1 588,90	1 674,70	1 766,81
Water: Basic levy		41,45	44,73	48,36	64,00	64,00	64,00	12,0%	71,68	75,56	79,70
Water: Consumption		216,16	233,36	247,36	252,32	252,32	252,32	13,8%	287,28	302,79	319,44
Sanitation		188,26	203,32	218,57	236,06	236,06	236,06	7,1%	252,80	266,45	281,06
Refuse removal		95,23	102,85	110,56	119,40	119,40	119,40	8,0%	128,96	135,92	143,40
Other											
sub-total		2 438,93	2 859,59	2 848,55	3 004,78	3 004,78	3 004,78	2,5%	3 081,04	3 247,44	3 540,42
VAT on Services		279,22	305,13	325,27	341,28	341,28	341,28		392,94	414,15	
Total large household bill:		2 718,15	2 964,72	3 174,82	3 346,06	3 346,06	3 346,06	3,8%	3 473,98	3 661,59	3 540,42
% Increased-decrease			9,1%	7,1%	5,4%	-	-		3,8%	5,4%	(3,3%)

2. Use as basis property value of R500 000, 500 kWh electricity and 25kl water

WC034 Swellendam - Supporting Table SA14 Household bills

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19 % Incr.	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Rand/cent											
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		317,50	342,92	370,00	405,00	405,00	405,00	(18,6%)	329,58	347,38	366,48
Electricity: Basic levy		75,00	82,50	90,00	91,50	91,50	91,50	3,9%	95,10	100,23	105,75
Electricity: Consumption		488,07	536,20	572,50	612,60	612,60	612,60	2,8%	629,60	663,58	700,09
Water: Basic levy		41,46	44,78	48,36	64,00	64,00	64,00	12,0%	71,68	75,56	79,70
Water: Consumption		169,36	181,76	192,66	196,52	196,52	196,52	17,2%	230,38	242,82	256,17
Sanitation		188,26	203,32	218,57	236,06	236,06	236,06	7,1%	252,80	266,45	281,06
Refuse removal		95,23	102,85	110,56	119,40	119,40	119,40	8,0%	128,96	135,92	143,40
Other											
sub-total		1 379,88	1 493,33	1 602,65	1 725,08	1 725,08	1 725,08	0,8%	1 738,10	1 831,94	1 932,65
VAT on Services		147,89	161,05	173,57	184,81	184,81	184,81		211,25	222,68	234,92
Total small household bill:		1 527,77	1 654,38	1 776,22	1 909,89	1 909,89	1 909,89	2,1%	1 949,35	2 054,62	2 167,57
% Increased-decrease			8,7%	7,3%	7,6%	-	-		2,1%	5,4%	5,5%



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3. Use as basis property value of R300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

WC034 Swellendam - Supporting Table SA14 Household bills

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19 % Incr.	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Rendfont											
Monthly Account for Household - 'Indigent'	3										
Household receiving free basic services											
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		278,10	300,00	315,00	327,00	327,00	327,00	6,4%	348,00	366,79	386,65
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		120,58	130,16	137,96	138,78	138,78	138,78	2,0%	141,56	148,20	157,41
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		398,68	430,16	452,96	465,78	465,78	465,78	5,1%	489,56	515,99	544,38
VAT on Services		55,81	60,22	63,41	65,21	65,21	65,21	-	73,43	77,40	81,65
Total small household bill:		454,47	490,38	516,37	530,99	530,99	530,99	6,0%	562,99	593,39	626,01
% increase/decrease			7,9%	5,3%	2,6%	-	-		6,0%	5,4%	5,5%



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From the above tables it is evident that the total average increase in the monthly accounts will be:

1. Middle income range 3.8% per month
2. Affordable range 2.1% per month
3. Indigent range 6.0% per month

Income forgone (Free Basic Services and other rebates)

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. Rebates and exemptions in terms of section 15 of the Municipal Property Rates Act (No. 6 of 2004) are applicable to those who qualify for it in terms of the act.

Currently all residential households received 20kWh electricity as free basic services. In 2018/19 only residential households qualified as indigents will receive 6kl water and 50kWh electricity as free basis services.

To receive these rebates and free services the households are required to register in terms of the Municipality's Indigent Policy.

At present there are 1 594 indigent households and 153 poor households which are entitled to rebates and subsidies as defined and set out in the Councils Credit Control Policy.

The total cost of the social package in respect of the income forgone on free services is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act. The rebates on the tax are largely discounted as a direct cost.

3.2 Operating Expenditure Framework

The following table is a high level summary of the 2018/19 budget and MTREF (classified per main type of operating expenditure):

Table 6 - Summary of operating expenditure by standard classification item

WC034 Swellendam - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Expenditure By Type											
Employee related costs	2	61 588	66 039	75 149	85 039	86 811	86 811	86 811	97 794	105 908	112 756
Remuneration of councillors		3 399	3 855	4 379	5 124	4 970	4 970	4 970	5 228	5 620	6 042
Debt impairment	3	11 530	16 715	22 619	20 000	20 000	20 000	20 000	21 040	22 197	23 418
Depreciation & asset impairment	2	11 109	8 768	9 285	10 830	10 290	10 290	10 290	10 825	11 421	12 049
Finance charges		12 538	10 252	9 145	6 193	4 894	4 894	4 894	5 390	5 695	6 018
Bulk purchases	2	40 391	46 134	50 442	53 280	53 411	53 411	53 411	57 319	60 471	63 797
Other materials	8	-	-	-	14 629	19 576	19 576	19 576	20 917	21 474	22 743
Contracted services		-	-	-	-	11 314	11 314	11 314	19 075	24 179	14 828
Transfers and subsidies		1 390	1 443	1 484	1 482	7 463	7 463	7 463	2 372	3 067	3 167
Other expenditure	4,5	70 747	52 117	43 509	35 853	23 671	23 671	23 671	24 435	25 802	27 248
Loss on disposal of PPE		-	31	2	-	-	-	-	-	-	-
Total Expenditure		212 691	226 153	219 005	232 430	243 400	243 400	243 400	264 395	284 935	299 055



The budgeted allocation for employee related costs for the 2018/19 financial year totals to R97.794 million, which represents 36,98% of the total expenditure budget. Salary increases have been factored into this budget at a percentage increase of 7,5% for the 2018/19 financial year, due to the fact that the salary and wage negotiations are still in progress. The implementation of TASK had a substantial influence on the employee related costs.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (No. 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the municipality's budget.

The provision for debt impairment was determined based on an annual collection rate of 98%. The previous financial year the collection rate was over 100% and currently for this financial year it is 101%.

Provision for depreciation and asset impairment has been informed by the asset register and proposed capital budget. Depreciation is widely considered a proxy for the measurement of the rate of asset consumption. Budget appropriations in this regard total to R10.825 million for the 2018/19 financial year and represent 4.09% of the total operating expenditure.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges - representing 2.04% (R5.39 million) of operating expenditure, excluding annual redemption for 2018/19.

Bulk purchases are directly influenced by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly impacting the revenue provisions. The expenditure includes distribution losses. Bulk purchases represent 21.68% (R57.319 million) of operating expenditure for the 2018/19 financial year.

Other materials represent 7.91% (R20.917 million) of operating expenditure for the 2018/19 financial year.

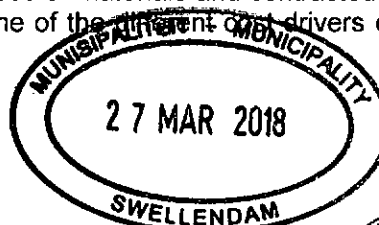
Contracted services represent 7.21% (R19.075 million) of operating expenditure for the 2018/19 financial year.

Transfers and subsidies represent 0.89% (R2.372 million) of operating expenditure for the 2018/19 financial year.

Other expenditure comprises of various line items relating to the daily operations of the municipality; as example the operational expenditure on grants and subsidies, repairs and maintenance and other services. Growth on line items other than those linked to grant expenditure has been limited. Further details relating to other expenditure can be seen in Table SA1.

Repairs and maintenance

In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance are not considered a direct expenditure driver, but rather an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. At current the municipality cannot report on the outcome of the different cost drivers combined to repairs



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and maintenance. The table below provides a breakdown of the repairs and maintenance in relation to asset class and reflects only purchases of materials and some contracted services.



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Table 7 - Repairs and maintenance per asset class

WC034 Swellendam - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description		Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand		I	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Repairs and maintenance expenditure by Asset Class/Sub-class											
Infrastructure			5 907	3 093	5 734	9 633	7 444	7 044	9 357	8 392	8 739
Roads Infrastructure			2 485	-	1 888	2 211	2 149	2 149	2 551	2 507	2 951
Roads			2 485	-	1 888	73	1 984	1 984	2 487	2 624	2 769
Road Structures			-	-	-	1 874	-	-	-	-	-
Road Furniture			-	-	-	284	165	165	173	163	193
Capital Spares			-	-	-	-	-	-	-	-	-
Storm water Infrastructure			-	-	-	663	669	669	658	705	744
Drainage Collection			-	-	-	-	669	669	658	705	744
Storm water Conveyance			-	-	-	663	-	-	-	-	-
Attenuation			-	-	-	-	-	-	-	-	-
Electrical Infrastructure			633	1 123	1 386	1 291	1 421	1 421	1 653	1 744	1 846
Power Plants			-	-	-	-	-	-	-	-	-
HV Substations			-	-	-	-	-	-	-	-	-
HV Switching Station			-	-	-	-	-	-	-	-	-
HV Transmission Conductors			716	896	1 276	1 264	1 314	1 314	1 545	1 630	1 720
MV Substations			-	-	-	-	5	5	5	5	6
MV Switching Stations			-	-	-	-	-	-	-	-	-
MV Networks			-	-	-	-	-	-	-	-	-
LV Networks			117	137	120	7	102	102	103	105	115
Capital Spares			-	-	-	-	-	-	-	-	-
Water Supply Infrastructure			1 659	1 970	816	2 310	1 059	1 059	1 069	1 125	1 190
Dams and Weirs			16	-	-	10	89	89	91	96	101
Boreholes			-	-	-	-	-	-	-	-	-
Reservoirs			338	265	576	674	704	704	707	745	787
Pump Stations			-	-	-	-	-	-	-	-	-
Water Treatment Works			1 342	1 665	242	1 583	276	276	271	285	302
Bulk Mains			-	-	-	-	-	-	-	-	-
Distribution			-	-	-	43	-	-	-	-	-
Distribution Points			-	-	-	-	-	-	-	-	-
PRV Stations			-	-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-	-
Sanitation Infrastructure			573	-	583	1 160	727	727	1 255	799	843
Pump Station			-	-	-	-	-	-	-	-	-
Refusation			285	-	368	353	-	-	-	-	-
Waste Water Treatment Works			287	-	275	807	727	727	1 255	799	843
Outfall Sewers			-	-	-	-	-	-	-	-	-
Toilet Facilities			-	-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure			321	-	1 050	1 056	1 009	1 009	1 061	1 119	1 181
Landfill Sites			321	-	1 050	1 056	1 009	1 009	1 061	1 119	1 181
Waste Transfer Stations			-	-	-	-	-	-	-	-	-
Waste Processing Facilities			-	-	-	-	-	-	-	-	-
Waste Drop-off Points			-	-	-	-	-	-	-	-	-
Waste Separation Facilities			-	-	-	-	-	-	-	-	-
Electricity Generation Facilities			-	-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-	-
Rail Infrastructure			-	-	-	-	-	-	-	-	-
Rail Lines			-	-	-	-	-	-	-	-	-
Rail Structures			-	-	-	-	-	-	-	-	-
Rail Furniture			-	-	-	-	-	-	-	-	-
Drainage Collection			-	-	-	-	-	-	-	-	-
Storm water Conveyance			-	-	-	-	-	-	-	-	-
Attenuation			-	-	-	-	-	-	-	-	-
MV Substations			-	-	-	-	-	-	-	-	-
LV Networks			-	-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-	-
Coastal Infrastructure			-	-	-	-	-	-	-	-	-
Sand Pumps			-	-	-	-	-	-	-	-	-
Piers			-	-	-	-	-	-	-	-	-
Revetments			-	-	-	-	-	-	-	-	-
Protections			-	-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure			-	-	-	-	-	-	-	-	-
Data Centres			-	-	-	-	-	-	-	-	-
Core Layers			-	-	-	-	-	-	-	-	-
Distribution Layers			-	-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-	-



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WC034 Swellendam - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year: 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Community Assets		2 068	878	956	1 293	1 087	1 087	1 416	1 494	1 663
Community Facilities		1 770	878	766	964	705	705	753	795	936
Halls		115	106	148	215	110	110	111	117	124
Centres		-	-	-	-	30	30	30	32	120
Crèches		-	-	-	-	-	-	-	-	-
Clinic/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		181	72	128	161	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		544	234	163	-	-	-	40	43	45
Cemeteries/Crematoria		142	63	76	116	99	99	98	103	109
Police		-	-	-	-	-	-	-	-	-
Parks		758	433	251	-	466	466	474	500	528
Public Open Space		-	-	-	472	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abolition		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Rank/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		293	-	230	329	382	382	663	699	736
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		293	-	230	329	382	382	663	699	736
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment Properties		-	-	-	196	287	287	286	302	318
Revenue Generating		-	-	-	196	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	196	-	-	-	-	-
Non-revenue Generating		-	-	-	-	287	287	286	302	318
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	287	287	286	302	318



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WC034 Swellendam - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Other assets		-	-	971	526	477	477	587	588	631
Operational Buildings		-	-	971	526	477	477	587	588	631
Municipal Offices		-	-	971	506	469	469	539	563	622
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	20	9	9	8	8	9
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Local Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		1 471	1 705	1 788	2 500	2 499	2 499	2 734	2 864	3 043
Computer Equipment		1 471	1 705	1 788	2 500	2 499	2 499	2 734	2 864	3 043
Furniture and Office Equipment		23	20	74	89	84	84	81	86	90
Furniture and Office Equipment		23	20	74	89	84	84	81	86	90
Machinery and Equipment		1 245	3 230	462	541	3 396	3 395	3 526	3 715	3 920
Machinery and Equipment		1 245	3 230	462	541	3 396	3 395	3 526	3 715	3 920
Transport Assets		1 279	2 833	2 711	2 536	5	5	6	6	6
Transport Assets		1 279	2 833	2 711	2 536	5	5	6	6	6
Libraries		-	-	-	283	229	229	-	-	-
Libraries		-	-	-	283	229	229	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	11 993	10 960	12 737	16 656	15 109	15 109	16 993	17 387	18 430
R&M as a % of PPE		4.9%	4.1%	4.6%	6.0%	5.4%	5.4%	6.0%	5.9%	6.1%
R&M as % Operating Expenditure		5.6%	5.3%	5.9%	7.7%	6.2%	6.2%	7.0%	6.6%	6.5%

For the 2018/19 financial year repairs and maintenance forms part of 6.4% of the total expenditure.



Table 8 - Grants made by the municipality

WORM Swellendam - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Forecasts		
		Actual Outcome	Actual Outcome	Actual Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pro-annual estimate	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Transfers to other municipalities											
Overberg Fire Services contribution	1	-	-	-	-	-	-	-	650	1 250	1 250
Total Cash Transfers to Municipalities		-	-	-	-	-	-	-	650	1 250	1 250
Cash Transfers to other Organs of State											
Provincial Government	3	-	-	-	-	5 740	5 740	5 740	-	-	-
Total Cash Transfers to Other Organs of State		-	-	-	-	5 740	5 740	5 740	-	-	-
Cash Transfers to Organisations											
GEORGE LINNIEP-BREEDER PNEUMONIC DANCE	308	308	308	309	309	305	308	308	300	340	367
SWELLENDAM TO JUST ORGANISATION	1 866	1 113	1 113	1 866	1 152	1 283	1 283	1 283	1 152	1 315	1 292
Total Cash Transfers to Organisations		1 511	1 443	1 866	1 442	1 723	1 723	1 723	1 492	1 594	1 638
Cash Transfers to Groups of Individuals											
Pneumonia	-	-	-	-	-	-	-	-	243	253	267
Total Cash Transfers to Groups of Individuals		-	-	-	-	-	-	-	243	253	267
TOTAL CASH TRANSFERS AND GRANTS	4	1 511	1 443	1 866	1 442	1 723	1 723	1 723	1 532	1 807	1 937
Total Non-Cash Grants to Groups of Individuals		-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	1 511	1 443	1 866	1 442	1 723	1 723	1 723	1 532	1 807	1 937

For the 2018/19 financial year Cash transfers to organisations will amount to R2.372 million.



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3.3 Capital expenditure

The table below provides a breakdown of budgeted capital expenditure by vote.

Table 9 - Capital budget per vote

WC034 Swellendam - Supporting Table SA35 Future financial implications of the capital budget

Vote Description R thousand	Ref	2018/19 Medium Term Revenue & Expenditure Framework		
		Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure	1			
Vote 1 - Municipal Manager		21	-	-
Vote 2 - Corporate Services		115	1 400	1 600
Vote 3 - Financial Services		1 025	1 870	1 736
Vote 4 - Engineers Service		14 581	14 633	13 210
Vote 5 - Community Services		1 234	-	-
Total Capital Expenditure		16 975	17 903	16 546
Net Financial Implications		16 975	17 903	16 546

The table below provides a breakdown of budgeted capital expenditure per asset class.



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Table 10 - Capital budget per asset class

WC034 Swellendam - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		19 581	13 531	10 296	8 949	7 731	7 731	1 779	4 452	2 783
Roads Infrastructure		1 845	6 193	4 345	130	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		1 845	6 193	4 345	130	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	3 944	230	2 255	279	279	1 739	4 452	2 783
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	3 944	230	1 754	279	279	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	1 739	4 452	2 783
Capital Spares		-	-	-	501	-	-	-	-	-
Water Supply Infrastructure		3 787	4 284	5 720	4 321	5 874	5 874	-	-	-
Dams and Weirs		172	-	4 801	2 854	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	1 185	-	-	-	-	-
Pump Stations		-	-	-	83	89	89	-	-	-
Water Treatment Works		-	-	-	180	-	-	-	-	-
Bulk Mains		3 625	4 284	919	-	5 784	5 784	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PTV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		13 839	-	-	2 193	1 577	1 577	40	-	-
Pump Station		-	-	-	-	183	183	-	-	-
Retreatment		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		13 833	-	-	2 193	1 397	1 397	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	46	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	50	-	-	-	-	-
Landfill Sites		-	-	-	50	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Line		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Cable Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-



WC034 Swellendam - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Community Assets		264	-	2 810	812	3 647	3 647	-	1 400	1 600
Community Facilities		264	-	277	20	-	-	-	1 400	1 600
Halls		264	-	56	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crickets		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
First/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parls		-	-	151	-	-	-	-	-	-
Public Open Spaces		-	-	-	10	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Amenity Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Test/Rental/Bus Terminals		-	-	-	-	-	-	-	1 400	1 600
Capital Spares		-	-	71	10	-	-	-	-	-
Sport and Recreation Facilities		-	-	2 533	892	3 647	3 647	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	2 533	892	3 647	3 647	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		258	-	-	-	-	-	-	-	-
Revenues Generating		258	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		258	-	-	-	-	-	-	-	-
Non-revenues Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		-	58	-	3 850	3 715	3 715	-	-	-
Operational Buildings		-	58	-	850	715	715	-	-	-
Municipal Offices		-	58	-	50	665	665	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	800	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	50	50	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	3 000	3 000	3 000	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	3 000	3 000	3 000	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-



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WC034 Swellendam - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
<u>Biological or Cultivated Assets</u>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<u>Intangible Assets</u>		352	-	12	-	-	-	256	-	-
Services		352	-	12	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	256	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licences		-	-	-	-	-	-	-	-	-
Solid Waste Licences		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	256	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<u>Computer Equipment</u>		-	-	-	587	587	587	609	1 650	1 226
Computer Equipment		-	-	-	587	587	587	609	1 650	1 226
<u>Furniture and Office Equipment</u>		979	551	303	90	203	203	367	530	450
Furniture and Office Equipment		979	551	303	90	203	203	367	530	450
<u>Machinery and Equipment</u>		254	202	406	260	595	595	838	-	50
Machinery and Equipment		254	202	406	260	595	595	838	-	50
<u>Transport Assets</u>		-	2 482	-	673	769	769	852	-	220
Transport Assets		-	2 482	-	673	769	769	852	-	220
<u>Libraries</u>		355	-	1 049	-	-	-	-	-	-
Libraries		355	-	1 049	-	-	-	-	-	-
<u>Zoo's, Marine and Non-Biological Animals</u>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	21 892	16 825	14 876	15 120	17 247	17 247	4 732	8 642	6 339

For 2018/19 an amount of R13.717 million has been appropriated for the development of infrastructure which represents 80.8% of the total capital budget.

Further detail relating to asset classes and proposed capital expenditure is contained in Table A9 (Asset Management) whilst Tables SA34a, SA34b, SA34c and SA34d provides a detailed breakdown of the capital program relating to new asset construction, capital asset renewal, operational repairs and maintenance and depreciation charges by asset class.



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The table below provides a breakdown of budgeted capital expenditure by funding source.

Table 11 – Budgeted Capital Expenditure by funding source

WC034 Swellendam - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Funded by:											
National Government		18 525	13 722	8 484	14 810	15 257	15 257	15 257	11 475	14 313	12 990
Provincial Government		559	-	1 049	-	3 555	3 555	3 555	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	19 084	13 722	9 532	14 810	18 812	18 812	18 812	11 475	14 313	12 990
Public contributions & donations	5	-	58	-	-	-	-	-	-	-	-
Borrowing	6	2 547	2 230	-	-	-	-	-	-	-	-
Internally generated funds		362	1 733	5 344	4 000	3 567	3 567	3 567	5 500	3 590	3 556
Total Capital Funding	7	21 992	17 742	14 876	18 810	22 379	22 379	22 379	16 975	17 903	16 546



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Section 4 - Annual Budget Tables

Section 4 presents the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2018/19 budget and MTREF as tabled to council. Each table is accompanied by *explanatory notes* on the facing page.



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Table A1 - Budget Summary

WC034 Swellendam - Table A1 Budget Summary

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Financial Performance										
Property rates	26 409	28 297	32 903	34 958	36 751	36 731	35 751	36 511	36 519	40 633
Service charges	81 725	90 488	100 354	104 954	104 543	104 543	104 543	119 063	124 579	131 430
Investment revenue	1 540	2 774	3 536	2 461	3 200	3 200	3 200	3 366	3 552	3 747
Transfers recognised - operational	61 500	45 005	35 085	37 264	43 065	43 065	43 066	43 576	57 084	50 337
Other own revenue	31 470	40 821	44 954	36 883	34 155	34 155	34 155	36 406	38 353	41 407
Total Revenue (excluding capital transfers and contributions)	202 727	208 374	216 822	216 521	221 756	221 756	221 755	244 244	262 095	267 539
Employee costs	61 588	66 039	75 140	95 003	86 511	86 511	85 811	97 754	105 008	112 756
Remuneration of councillors	3 399	3 655	4 379	5 124	4 970	4 970	4 970	5 228	5 629	6 042
Depreciation & asset impairment	11 102	8 758	9 236	10 330	10 290	10 290	10 290	10 825	11 421	12 043
Finance charges	12 536	10 252	9 145	6 193	4 894	4 894	4 894	5 390	5 695	5 818
Materials and bulk purchases	40 391	46 134	50 442	67 909	72 955	72 955	72 986	78 236	81 345	85 540
Transfers and grants	1 330	1 443	1 484	1 482	7 462	7 462	7 463	2 372	3 067	3 167
Other expenditure	82 277	68 363	56 125	55 653	54 985	54 985	54 985	64 550	72 175	65 494
Total Expenditure	212 621	205 153	215 905	232 430	242 400	242 400	242 400	254 355	284 935	292 055
Surplus/(Deficit)	(9 894)	3 221	546	(15 909)	(20 643)	(20 643)	(20 645)	(10 111)	(22 840)	(24 506)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	21 756	15 636	14 242	14 810	18 379	18 379	18 379	11 491	14 313	12 990
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	11 772	18 663	14 789	(1 089)	(2 263)	(2 263)	(2 266)	(8 620)	(8 526)	(11 517)
Share of surplus / (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	11 772	18 663	14 789	(1 089)	(2 263)	(2 263)	(2 266)	(8 620)	(8 526)	(11 517)
Capital expenditure & funds sources										
Capital expenditure	21 992	17 742	14 876	18 810	22 379	22 379	22 379	16 975	17 903	16 545
Transfers recognised - capital	19 084	13 722	9 532	14 810	18 812	18 812	18 812	11 475	14 313	12 990
Public contributions & donations	-	58	-	-	-	-	-	-	-	-
Borrowing	2 547	2 230	-	-	-	-	-	-	-	-
Internally generated funds	362	1 733	5 344	4 000	3 567	3 567	3 567	5 500	2 590	3 556
Total sources of capital funds	21 992	17 742	14 876	18 810	22 379	22 379	22 379	16 975	17 903	16 545
Financial position										
Total current assets	66 480	65 285	83 305	94 784	61 156	61 156	61 158	33 741	83 063	81 104
Total non current assets	277 685	300 486	305 665	303 105	306 675	306 675	306 575	320 850	327 312	331 609
Total current liabilities	51 199	42 986	54 015	33 713	28 952	28 952	28 962	65 544	85 018	100 152
Total non current liabilities	83 853	84 240	83 932	95 200	95 200	95 200	95 200	65 221	83 505	82 408
Community wealth/equity	269 315	242 534	257 323	238 977	243 681	243 681	243 681	250 406	241 370	228 854
Cash flows										
Net cash from (used) operating	56 677	13 553	31 353	8 665	10 157	10 157	10 157	11 701	18 436	12 550
Net cash from (used) investing	(20 630)	(13 443)	(13 343)	(16 751)	(21 679)	(21 679)	(21 679)	(15 975)	(15 560)	(14 546)
Net cash from (used) financing	4 633	(441)	(2 921)	(2 700)	(2 700)	(2 700)	(2 700)	(4 652)	(4 133)	(3 653)
Cash/cash equivalents at the year end	36 669	36 434	51 728	20 784	17 158	17 158	17 158	38 243	37 163	31 835
Cash budget/surplus reconciliation										
Cash and investments available	36 666	36 434	51 728	20 784	17 168	17 168	17 158	38 243	37 163	31 835
Application of cash and investments	24 162	12 529	16 551	4 636	(96)	(96)	(96)	14 066	25 925	35 400
Balance - surplus / (shortfall)	12 504	23 904	35 176	15 689	17 264	17 264	17 254	24 185	10 238	(3 564)
Asset management										
Asset register summary (MOV)	277 585	300 486	305 645	298 306	301 675	301 675	320 830	320 830	327 312	331 609
Depreciation	11 109	8 758	9 236	10 330	10 290	10 290	10 290	10 825	11 421	12 043
Renewal of Existing Assets	-	918	-	856	344	344	571	571	-	-
Repairs and Maintenance	11 983	10 560	12 737	15 556	15 109	15 109	16 983	15 983	17 387	18 490
Free services										
Cost of Free Basic Services provided	5 584	7 045	7 065	-	-	-	-	-	-	-
Revenue cost of free services provided	3 092	3 040	3 182	12 332	12 139	12 139	11 939	11 939	12 535	13 238
Household's below minimum service level	-	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage	-	-	-	-	-	-	-	-	-	-
Energy	-	-	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-	-



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Explanatory notes to Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow and MFMA funding compliance).
2. The table provides an overview of the amounts for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasize the importance of how the municipal budget is being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget.

The Budget Summary provides the key information in this regard:

- a. The operating surplus/deficit (after Total Expenditure) is supposed to be positive over the MTREF.
- b. Capital expenditure is balanced by capital funding sources, of which:
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing in the Cash Flow Budget;
 - iii. Internally generated funds are supposed to be financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The municipality's cash flow should remain positive. The cash flow is indicating that there are limited cash resources available to fund the Capital Budget and that the municipality is dependent on borrowing and Government Grants and Subsidies to finance future capital needs; and
 - iv. This scenario will remain a reality unless council embarked on a process on building cash reserves which will have a direct impact on future tariffs and taxes to be levied.



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Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

WC034 Swellendam - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional										
Governance and administration		60 265	66 635	99 399	70 359	87 872	87 872	87 134	90 153	96 762
Executive and council		53 958	58 278	61 573	28 243	27 098	27 098	30 409	32 587	36 365
Finance and administration		6 307	8 357	7 826	42 116	60 774	60 774	56 724	57 565	60 397
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		37 555	16 965	8 485	10 051	14 745	14 745	15 272	22 580	13 321
Community and social services		4 785	4 303	7 665	5 131	5 095	5 095	5 458	5 770	6 181
Sport and recreation		642	800	820	974	1 166	1 166	1 024	1 081	1 140
Public safety		-	-	-	64	-	-	-	-	-
Housing		32 128	11 663	-	3 882	8 485	8 485	9 780	15 730	6 000
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		44 387	45 968	49 895	43 912	30 550	30 550	32 136	33 851	35 712
Planning and development		213	1 009	1 006	1 066	725	725	762	804	849
Road transport		44 174	44 889	48 900	42 846	29 825	29 825	31 373	33 046	34 864
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		81 820	93 800	103 064	107 008	106 966	106 966	120 194	125 814	134 752
Energy sources		51 703	64 190	68 955	71 865	71 940	71 940	80 261	87 586	90 307
Water management		10 601	11 820	13 649	14 147	13 569	13 569	17 285	18 236	19 239
Waste water management		11 978	10 819	12 464	13 083	17 619	17 619	14 186	14 966	15 789
Waste management		7 538	6 972	7 937	8 113	3 839	3 839	8 461	8 927	9 417
Other	4	437	703	-	-	-	-	-	-	-
Total Revenue - Functional	2	224 453	224 012	230 795	231 331	240 134	240 134	255 735	276 398	280 548
Expenditure - Functional										
Governance and administration		54 850	50 538	54 517	64 532	75 218	75 218	79 667	85 054	90 535
Executive and council		26 852	22 119	24 391	22 960	24 852	24 852	25 654	27 805	29 456
Finance and administration		27 997	28 419	30 126	40 388	49 081	49 081	52 545	55 673	59 386
Internal audit		-	-	-	1 154	1 285	1 285	1 438	1 576	1 693
Community and public safety		49 183	29 320	19 485	18 524	23 098	23 098	29 226	35 532	28 340
Community and social services		10 143	10 273	11 786	6 520	6 614	6 614	6 576	7 043	7 631
Sport and recreation		6 948	7 213	7 619	9 288	9 391	9 391	11 097	11 853	12 662
Public safety		-	-	-	228	-	-	-	-	-
Housing		32 092	11 834	-	2 489	7 092	7 092	11 553	17 635	8 048
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		35 483	43 678	51 343	46 087	41 843	41 843	46 148	48 036	51 631
Planning and development		1 864	2 474	2 570	3 756	3 827	3 827	5 051	4 503	4 826
Road transport		33 619	41 205	48 773	42 234	38 016	38 016	41 087	43 534	46 205
Environmental protection		-	-	-	96	-	-	-	-	-
Trading services		72 116	81 616	89 135	98 474	101 080	101 080	108 194	114 089	120 867
Energy sources		47 570	53 505	60 651	65 323	65 812	65 812	70 448	74 450	78 682
Water management		8 687	8 792	9 639	11 197	11 564	11 564	10 878	11 588	12 344
Waste water management		6 760	6 625	8 225	12 768	13 927	13 927	16 407	16 957	18 076
Waste management		9 039	10 694	10 620	9 185	9 777	9 777	10 461	11 094	11 765
Other	4	1 050	1	1 605	4 813	1 160	1 160	1 161	1 225	1 292
Total Expenditure - Functional	3	212 691	205 153	218 006	232 430	242 400	242 400	264 396	284 935	292 066
Surplus/(Deficit) for the year		11 773	18 859	14 789	(1 099)	(2 266)	(2 266)	(8 661)	(8 538)	(11 518)



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Explanatory notes to Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenue (Transfers recognized – capital) and therefore does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the trading services should exceed their expenditures.
4. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources reflected under executive and council as well as finance and administration.



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Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

WC034 Swellendam - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote	1									
Vote 1 - Municipal Manager		530	887	958	139	365	365	375	16	16
Vote 2 - Corporate Services		54 316	59 835	62 005	29 456	27 874	27 874	30 967	33 555	37 386
Vote 3 - Financial Services		5 801	7 625	7 556	41 830	43 350	43 350	43 376	45 316	47 711
Vote 4 - Engineers Service		96 279	103 254	108 328	112 333	115 835	115 835	124 881	132 874	137 743
Vote 5 - Community Services		67 538	52 411	51 948	47 572	52 710	52 710	56 137	64 638	57 692
Total Revenue by Vote	2	224 463	224 012	234 795	231 331	248 134	248 134	255 735	276 398	288 548
Expenditure by Vote to be appropriated	1									
Vote 1 - Municipal Manager		6 273	6 698	7 096	6 448	5 951	5 951	6 473	7 448	7 847
Vote 2 - Corporate Services		26 265	25 996	30 122	28 632	31 927	31 927	32 542	33 723	35 859
Vote 3 - Financial Services		21 411	28 318	21 336	28 905	30 333	30 333	32 178	33 904	36 118
Vote 4 - Engineers Service		81 391	89 582	97 599	107 723	109 021	109 021	119 392	126 016	133 649
Vote 5 - Community Services		77 410	62 549	59 852	59 521	65 168	65 168	73 811	83 845	78 553
Total Expenditure by Vote	2	212 691	205 153	216 008	232 438	242 488	242 488	264 395	284 935	292 066
Surplus/(Deficit) for the year	2	11 772	18 859	14 789	(1 099)	(2 256)	(2 266)	(8 661)	(8 538)	(11 518)

Explanatory notes to Table A3 - Budgeted Financial Performance (revenue and expenditure by vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.
2. This is the level at which council will approve the budget in terms of Section 24(2)(c)(iii) of the MFMA.



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Table A4 - Budgeted Financial Performance (revenue and expenditure)

WC034 Swellendam - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1										
Revenue By Source											
Property rates	2	26 439	29 287	32 603	34 958	36 791	36 791	36 791	36 511	38 519	40 638
Service charges - electricity revenue	2	51 632	61 074	67 088	69 609	69 556	69 556	69 556	78 193	82 494	87 031
Service charges - water revenue	2	10 577	11 795	13 599	14 100	13 569	13 569	13 569	17 285	18 236	19 239
Service charges - sanitation revenue	2	11 975	10 805	12 442	13 068	13 305	13 305	13 305	14 144	14 922	15 743
Service charges - refuse revenue	2	7 537	6 844	7 521	8 113	8 113	8 113	8 113	8 461	8 927	9 417
Service charges - other	6	(29)	(285)	64	-	-	-	-	-	-	-
Rental of facilities and equipment		1 403	1 387	1 570	1 570	498	498	499	525	554	584
Interest earned - external investments		2 774	3 536	2 461	2 461	3 206	3 206	3 206	3 366	3 552	3 747
Interest earned - outstanding debtors		1 914	1 728	2 087	895	895	895	895	941	993	1 048
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		26 096	33 048	26 818	26 666	26 666	26 666	26 666	28 052	29 595	31 223
Licences and permits		875	940	896	896	815	815	815	857	904	954
Agency services		1 523	1 664	1 705	1 705	1 454	1 454	1 454	1 540	1 625	1 714
Transfers and subsidies		45 005	35 095	37 254	43 055	43 055	43 055	43 055	49 878	57 084	60 337
Other revenue	2	6 783	7 191	5 150	1 807	3 317	3 317	3 317	3 490	3 682	3 884
Gains on disposal of PPE		259	1 817	1 038	2 800	500	500	500	1 000	1 000	2 000
Total Revenue (excluding capital transfers and contributions)		202 707	268 374	216 552	216 521	221 755	221 755	221 755	244 244	262 085	257 559
Expenditure By Type											
Employee related costs	2	61 588	66 039	75 140	85 039	86 811	86 811	86 811	97 794	105 008	112 756
Remuneration of councillors	3	3 389	3 655	4 379	5 124	4 970	4 970	4 970	5 228	5 620	6 042
Debt impairment	11	11 530	16 715	22 619	20 000	20 000	20 000	20 000	21 040	22 197	23 418
Depreciation & asset impairment	2	11 109	8 768	9 285	10 830	10 290	10 290	10 290	10 825	11 421	12 049
Finance charges		12 539	10 252	9 145	6 193	4 894	4 894	4 894	5 390	5 696	6 016
Bulk purchases	2	40 391	46 134	50 442	53 280	53 411	53 411	53 411	57 319	60 471	63 797
Other materials	8	-	-	-	14 629	19 576	19 576	19 576	20 917	21 474	22 743
Contracted services		-	-	-	-	11 314	11 314	11 314	19 075	24 179	14 828
Transfers and subsidies		1 390	1 443	1 484	1 482	7 463	7 463	7 463	2 372	3 057	3 167
Other expenditure	4, 5	70 747	52 117	43 509	35 853	23 671	23 671	23 671	24 435	25 802	27 248
Loss on disposal of PPE		-	31	2	-	-	-	-	-	-	-
Total Expenditure		212 691	205 153	216 005	212 430	242 400	242 400	242 400	264 395	284 935	292 065
Surplus/(Deficit)											
		(9 984)	3 221	546	(15 909)	(20 645)	(20 645)	(20 645)	(20 151)	(22 649)	(24 506)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		21 756	15 538	14 242	14 810	18 379	18 379	18 379	11 491	14 313	12 990
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		11 772	18 659	14 789	(1 099)	(2 266)	(2 266)	(2 266)	(8 660)	(8 536)	(11 517)
Taxation		11 772	18 659	14 789	(1 099)	(2 266)	(2 266)	(2 266)	(8 660)	(8 536)	(11 517)
Surplus/(Deficit) after taxation		11 772	18 659	14 789	(1 099)	(2 266)	(2 266)	(2 266)	(8 660)	(8 536)	(11 517)
Attributable to minorities		11 772	18 659	14 789	(1 099)	(2 266)	(2 266)	(2 266)	(8 660)	(8 536)	(11 517)
Surplus/(Deficit) attributable to municipality		11 772	18 659	14 789	(1 099)	(2 266)	(2 266)	(2 266)	(8 660)	(8 536)	(11 517)
Share of surplus/(deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		11 772	18 659	14 789	(1 099)	(2 266)	(2 266)	(2 266)	(8 660)	(8 536)	(11 517)



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Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue amounts to R244.244 million for 2018/19.
2. Revenue to be generated from property rates is R36.511 million in the 2018/19 financial year which represents 14.94% of the operating revenue base of the municipality and therefore remains a significant funding source for the municipality.
3. Service charges relating to electricity, water, sanitation and refuse removal constitutes the largest component of the revenue basket of the municipality totaling to R118.083 million for the 2018/19 financial year and reflecting 48.34% of the total revenue base.
4. Fines, penalties and forfeits also significantly contributes to the revenue basket totaling to R28.052 million for the 2018/19 financial year and reflecting 11.48% of the total revenue base.
5. Transfers of operating grants recognised, includes the local government equitable share and other operating grants received from national and provincial government. This revenue only realising after preset conditions were met. It needs to be noted that the transfers recognised fluctuates due to the nature of expenses in the provincial housing grant.
6. More detail regarding the employee related cost and the remuneration of councillors are provided in Section 11 of this report.
7. More emphasis will be placed on the debt impairment; depreciation charges and the finance charges in Section 10 – Budget Funding.
8. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational efficiencies will have to be identified and instituted to reduce the impact of wage and bulk tariff increases in future years.

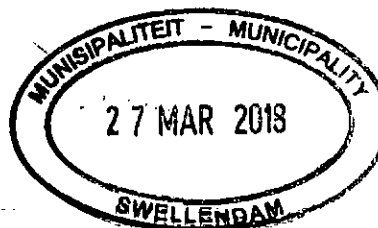


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Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

WC034 Swellendam - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 3 - Financial Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Engineers Service		-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditures to be appropriated	2										
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	21	-	-
Vote 2 - Corporate Services		963	228	374	211	67	67	-	115	1 400	1 600
Vote 3 - Financial Services		633	301	375	687	783	783	-	1 025	1 670	1 736
Vote 4 - Engineers Service		19 122	17 062	10 339	12 957	13 690	13 690	-	14 581	14 633	13 210
Vote 5 - Community Services		1 275	152	3 788	4 945	7 839	7 839	-	1 234	-	-
Capital single-year expenditure sub-total		21 992	17 742	14 876	18 810	22 379	22 379	-	16 975	17 903	16 546
Total Capital Expenditure - Vote		21 992	17 742	14 876	18 810	22 379	22 379	-	16 975	17 903	16 546
Capital Expenditure - Functional											
Governance and administration		1 852	507	749	898	835	835	835	1 296	2 199	1 955
Executive and council		1 491	115	71	20	412	412	412	20	-	-
Finance and administration		362	369	-	878	423	423	423	1 276	2 190	1 956
Internal audit		-	2	678	-	-	-	-	-	-	-
Community and public safety		559	1 034	3 788	4 053	7 009	7 009	7 009	319	-	-
Community and social services		559	1 034	1 255	161	1	1	1	84	-	-
Sport and recreation		-	-	2 533	892	3 919	3 919	3 919	235	-	-
Public safety		-	-	-	-	90	90	90	-	-	-
Housing		-	-	-	3 000	3 000	3 000	3 000	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		1 845	7 684	9 189	4 399	4 531	4 531	4 531	4 232	6 953	1 600
Planning and development		-	-	-	-	81	81	81	95	1 400	1 600
Road transport		1 845	7 604	9 169	4 399	4 450	4 450	4 450	4 137	5 553	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		17 736	8 597	1 150	9 460	10 084	10 084	10 084	11 129	8 760	12 994
Energy services		-	3 255	230	9 450	2 219	2 219	2 219	2 005	4 452	2 783
Water management		3 797	4 505	919	-	6 038	6 038	6 038	5 459	4 308	10 207
Waste water management		13 939	737	-	-	1 697	1 697	1 697	2 151	-	-
Waste management		-	100	-	-	50	50	50	515	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	21 992	17 742	14 876	18 810	22 379	22 379	22 379	16 975	17 903	16 546
Funded by:											
National Government		18 525	13 722	8 484	14 810	15 257	15 257	15 257	11 475	14 313	12 990
Provincial Government		559	-	1 049	-	3 555	3 555	3 555	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	18 084	13 722	9 532	14 810	18 812	18 812	18 812	11 475	14 313	12 990
Public contributions & donations	5	-	58	-	-	-	-	-	-	-	-
Borrowing	6	2 547	2 230	-	-	-	-	-	-	-	-
Internally generated funds		362	1 733	5 344	4 000	3 567	3 567	3 567	5 500	3 590	3 556
Total Capital Funding	7	21 992	17 742	14 876	18 810	22 379	22 379	22 379	16 975	17 903	16 546



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Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital program in relation to capital expenditure by municipal vote (multi-year and single-year appropriations), capital expenditure by standard classification and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.
3. Unlike multi-year capital appropriations which normally would result in work-in-progress at the end of a financial year, single-year appropriations relate to expenditure that will incur in the specific budget year such as the procurement of vehicles and specialised tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the inputs of departments and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included, but no commitments will be incurred against single-year appropriations for the two outer-years.
4. The capital program is funded from own funding and government grants and transfers. As mentioned previously the funding source of new borrowings is a remaining problem and the municipality is dependent on the bank sector and the risk assessment process to raise future loans.
5. For 2018/19 capital transfers from national and provincial government amounts to R11.491 million.



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Table A6 -Budgeted Financial Position

WC034 Swellendam - Table A6 Budgeted Financial Position

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Fall Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
ASSETS											
Current assets											
Cash		36 566	36 434	51 726	29 784	17 168	17 168	17 168	38 243	37 183	31 835
Call investment deposits	1	-	-	-	-	-	-	-	-	-	-
Consumer debtors	1	15 975	20 369	8 370	33 000	30 000	30 000	33 000	8 545	7 944	8 231
Other debtors		1 782	1 553	18 314	2 000	2 000	2 000	2 000	21 212	27 155	32 396
Current portion of long-term receivables		-	-	38	-	-	-	-	-	-	-
Inventory	2	12 157	10 930	11 157	12 000	12 000	12 000	12 000	12 240	10 960	8 540
Total current assets		66 480	69 285	89 605	64 784	61 168	61 168	61 168	89 341	83 983	81 104
Non-current assets											
Long-term receivables		-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		23 332	25 032	24 546	15 698	19 666	19 663	15 698	24 470	24 375	24 275
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	243 894	267 127	275 204	276 208	281 777	281 777	281 777	253 527	300 215	364 923
Agricultural		-	-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		470	478	417	430	430	430	430	509	399	262
Other non-current assets		10 179	7 550	5 536	4 830	4 800	4 800	4 800	2 324	2 324	2 324
Total non-current assets		277 885	300 456	325 655	303 186	306 675	306 675	306 675	320 838	327 312	331 629
TOTAL ASSETS		344 365	369 742	395 261	367 970	367 843	367 843	367 843	410 179	410 295	412 734
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	2 584	3 053	2 430	2 800	2 500	2 500	2 800	1 855	1 855	1 835
Consumer deposits		1 410	1 376	1 487	1 540	1 540	1 540	1 540	1 632	1 730	1 834
Trade and other payables	4	29 183	16 552	25 102	23 373	18 622	18 622	18 522	35 556	53 354	66 638
Provisions		17 973	22 076	24 955	5 000	6 000	6 000	6 000	25 501	28 369	29 735
Total current liabilities		51 150	42 959	54 015	33 713	28 652	28 652	28 652	63 544	63 010	100 152
Non-current liabilities											
Borrowing		36 647	35 490	33 080	36 200	36 200	36 200	36 200	23 833	15 399	15 843
Provisions		47 335	48 749	50 952	55 000	59 000	59 000	59 000	61 369	62 907	65 565
Total non-current liabilities		83 982	84 239	84 032	91 200	95 200	95 200	95 200	85 202	78 306	81 408
TOTAL LIABILITIES		135 132	127 197	138 047	124 913	124 162	124 162	124 162	148 746	141 316	181 560
NET ASSETS	5	209 233	242 544	257 213	238 977	243 681	243 681	243 681	261 433	241 870	231 174
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/Deficit		200 692	228 861	245 654	230 277	234 981	234 981	234 981	245 206	227 670	226 154
Reserves	4	8 541	13 685	11 557	9 780	9 040	9 040	8 700	4 200	3 700	3 700
TOTAL COMMUNITY WEALTH/EQUITY	5	209 233	242 544	257 213	238 977	243 681	243 681	243 681	250 406	241 370	229 854



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Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of General Recognized Accounting Practices (GRAP) and assists councillors and management to understand the impact of the budget on the statement of financial position.
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international standard which presents assets less liabilities as the accounted Community Wealth. The order of items within each group, illustrates its liquidity; i.e. assets readily converted to cash or liabilities immediately required to be transformed in cash.
3. Table A6 is supported by an extensive table of notes (Table SA3) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the budgeted financial performance or the capital budget will inevitably impact on the budgeted financial position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed directly by forecasting the statement of financial position.



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Table A7 - Budgeted Cash Flow Statement

WC034 Swellendam - Table A7 Budgeted Cash Flows

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		25 881	28 701	32 893	34 259	36 092	36 092	36 092	35 781	37 749	39 825
Service charges		74 537	83 093	100 364	102 855	102 381	102 381	102 381	115 721	122 067	128 601
Other revenue		7 344	19 227	14 331	11 342	11 458	11 458	11 458	12 023	12 684	13 381
Government - operating	1	92 938	57 562	43 040	37 254	43 066	43 066	43 066	49 878	57 063	50 337
Government - capital	1	21 756	15 638	14 242	14 810	18 379	18 379	18 379	11 431	14 313	12 990
Interest		2 651	4 688	5 264	4 506	4 003	4 003	4 003	4 289	4 525	4 773
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(160 481)	(180 230)	(167 656)	(189 101)	(193 259)	(193 259)	(193 259)	(209 626)	(221 615)	(228 456)
Finance charges		(12 539)	(10 533)	(9 145)	(5 789)	(4 489)	(4 489)	(4 489)	(5 481)	(5 323)	(5 525)
Transfers and Grants	1	(1 390)	(1 443)	(1 484)	(1 462)	(7 453)	(7 463)	(7 453)	(2 372)	(3 067)	(3 187)
NET CASH FROM/(USED) OPERATING ACTIVITIES		50 677	13 653	31 558	8 665	10 157	10 167	10 157	11 701	18 438	12 850
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		942	4 241	1 448	2 000	500	500	500	1 000	1 000	2 000
Decrease (increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(21 772)	(17 684)	(14 790)	(18 761)	(22 379)	(22 379)	(22 379)	(16 975)	(16 360)	(16 545)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(20 830)	(13 443)	(13 343)	(16 761)	(21 879)	(21 879)	(21 879)	(15 975)	(15 360)	(14 546)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/financing		6 852	2 246	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		141	(36)	113	-	-	-	-	92	99	104
Payments											
Repayment of borrowing		(2 110)	(2 652)	(3 034)	(2 700)	(2 700)	(2 700)	(2 700)	(4 744)	(4 233)	(3 757)
NET CASH FROM/(USED) FINANCING ACTIVITIES		4 883	(441)	(2 921)	(2 700)	(2 700)	(2 700)	(2 700)	(4 652)	(4 135)	(3 653)
NET INCREASE/(DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin:	2	34 739	(232)	15 295	(10 796)	(14 412)	(14 412)	(14 412)	(8 926)	(1 060)	(5 348)
Cash/cash equivalents at the year end:	2	1 927	35 666	36 434	31 580	31 580	31 580	31 580	47 168	38 243	37 183
		36 666	35 434	51 728	20 784	17 168	17 168	17 168	38 243	37 193	31 835

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded. It shows the expected level of cash in-flows versus cash out-flows that is likely to result from the implementation of the budget. The net effect of budget (both capital & operational) is represented in the net increase or decrease in cash and cash equivalents.
2. Table A7 is supported by an extensive table (Table SA30) that provides a breakdown per month as well as providing a detailed analysis of the major sources of receipts and expenditure.



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Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

WC034 Swellendam - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	36 666	36 434	51 728	20 784	17 168	17 168	17 158	38 243	37 183	31 835
Other current investments > 90 days		(0)	(0)	(1)	-	-	-	-	0	0	0
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		36 666	36 434	51 728	20 784	17 168	17 168	17 158	38 243	37 183	31 835
Application of cash and investments											
Unspent conditional transfers		6 980	3 899	11 505	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	8 558	(5 024)	(8 622)	(3 805)	(8 796)	(8 796)	(8 796)	9 858	23 125	31 700
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	8 624	13 654	13 659	8 700	8 700	8 700	8 700	4 200	3 700	3 700
Total Application of cash and investments:		24 162	12 529	16 551	4 895	(96)	(96)	(96)	14 058	26 825	35 400
Surplus(shortfall)		12 504	23 904	35 176	15 889	17 264	17 264	17 254	24 185	10 358	(3 564)

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of the MFMA circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or a deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".

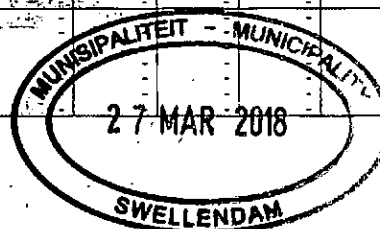


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Table A9 - Asset Management

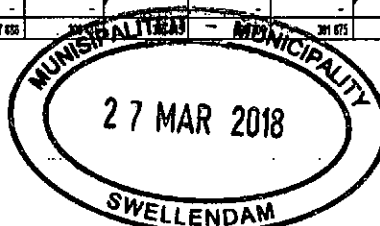
WC034 Swellendam - Table A9 Asset Management

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure										
Total Infrastructure Assets	1	21 890	18 925	14 878	15 120	17 247	17 247	4 732	8 042	8 329
Roads Infrastructure		1 845	8 163	4 345	130	—	—	—	—	—
Storm water Infrastructure		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	3 044	230	2 255	275	279	1 730	4 452	2 763
Water Supply Infrastructure		3 787	4 294	5 720	4 321	5 874	5 874	—	—	—
Sewerage Infrastructure		13 526	—	—	2 193	1 577	1 577	43	—	—
Solid Waste Infrastructure		—	—	—	50	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Infrastructure		19 581	12 521	10 290	8 849	7 731	7 731	1 779	4 452	2 763
Community Facilities		254	—	277	20	—	—	—	1 400	1 800
Sport and Recreation Facilities		—	—	7 523	992	3 647	3 647	—	—	—
Community Assets		284	—	2 618	912	2 647	2 647	—	1 458	1 688
Heritage Assets		—	—	—	—	—	—	—	—	—
Revenue Generating		258	—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—	—
Investment properties		258	—	—	—	—	—	—	—	—
Operational Buildings		—	58	—	853	715	715	—	—	—
Housing		—	—	—	3 300	3 000	3 000	—	—	—
Other Assets		—	34	—	3 859	2 719	2 719	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Services		352	—	17	—	—	—	—	—	—
Licences and Rights		—	—	—	—	—	—	295	—	—
Intangible Assets		292	—	12	—	—	—	299	—	—
Computer Equipment		—	—	—	587	587	587	880	1 660	1 226
Furniture and Office Equipment		979	551	303	80	203	203	387	538	403
Machinery and Equipment		254	282	406	260	595	595	638	—	50
Transport Assets		—	7 492	—	673	789	789	852	—	220
Licences		353	—	1 045	—	—	—	—	—	—
Zoo's, Marine and Non-Biological Animals		—	—	—	—	—	—	—	—	—
Total Operational Assets	2	—	918	—	854	344	344	571	—	—
Roads Infrastructure		—	871	—	—	—	—	—	—	—
Storm water Infrastructure		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	—	—	—	—	—	—	—	—
Water Supply Infrastructure		—	—	—	200	200	200	8	—	—
Sewerage Infrastructure		—	—	—	130	54	54	565	—	—
Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Infrastructure		—	871	—	478	254	254	571	—	—
Community Facilities		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—
Community Assets		—	—	—	—	—	—	—	—	—
Heritage Assets		—	—	—	—	—	—	—	—	—
Revenue Generating		—	—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Operational Buildings		—	—	—	—	90	90	—	—	—
Housing		—	—	—	—	—	—	—	—	—
Other Assets		—	—	—	—	90	88	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Services		—	—	—	—	—	—	—	—	—
Licences and Rights		—	—	—	—	—	—	—	—	—
Intangible Assets		—	—	—	—	—	—	—	—	—
Computer Equipment		—	—	—	96	—	—	—	—	—
Furniture and Office Equipment		—	—	—	130	—	—	—	—	—
Machinery and Equipment		—	47	—	170	—	—	—	—	—
Transport Assets		—	—	—	—	—	—	—	—	—
Licences		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-Biological Animals		—	—	—	—	—	—	—	—	—
Total Operational Assets	3	—	—	—	2 834	4 788	4 788	11 672	9 851	19 287
Roads Infrastructure		—	—	—	2 734	2 642	2 642	3 525	5 553	—
Storm water Infrastructure		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	—	—	100	1 854	1 854	—	—	—
Water Supply Infrastructure		—	—	—	—	—	—	5 308	4 309	10 207
Sewerage Infrastructure		—	—	—	—	—	—	1 536	—	—
Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Infrastructure		—	—	—	2 834	4 688	4 688	11 387	9 681	19 287
Community Facilities		—	—	—	—	80	80	—	—	—
Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—
Community Assets		—	—	—	—	40	40	108	—	—
Heritage Assets		—	—	—	—	—	—	—	—	—
Revenue Generating		—	—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Operational Buildings		—	—	—	—	12	12	5	—	—
Housing		—	—	—	—	—	—	—	—	—
Other Assets		—	—	—	—	12	12	8	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Services		—	—	—	—	—	—	—	—	—
Licences and Rights		—	—	—	—	—	—	—	—	—
Intangible Assets		—	—	—	—	—	—	—	—	—
Computer Equipment		—	—	—	—	—	—	—	—	—
Furniture and Office Equipment		—	—	—	—	—	—	—	—	—
Machinery and Equipment		—	—	—	—	—	—	—	—	—
Transport Assets		—	—	—	—	—	—	—	—	—
Licences		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-Biological Animals		—	—	—	—	—	—	—	—	—



WD034 Swellendam - Table A9 Asset Management

Description		Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Total Capital Expenditure		4									
Roads Infrastructure			1 845	7 064	4 345	2 864	2 842	2 842	3 525	5 553	-
Storm water Infrastructure			-	-	-	-	-	-	-	-	-
Electrical Infrastructure			-	3 044	230	2 355	2 134	2 134	1 738	4 452	2 783
Water Supply Infrastructure			3 767	4 294	5 725	4 611	6 074	6 074	6 312	4 306	10 207
Sanitation Infrastructure			13 939	-	-	2 373	1 031	1 031	2 141	-	-
Solid Waste Infrastructure			-	-	-	50	-	-	-	-	-
Rail Infrastructure			-	-	-	-	-	-	-	-	-
Coastal Infrastructure			-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure			-	-	-	-	-	-	-	-	-
Infrastructure			19 381	14 402	10 295	12 233	12 847	12 847	13 717	14 713	12 990
Community Facilities			204	-	277	20	80	80	300	1 400	1 300
Sport and Recreation Facilities			-	-	2 533	892	3 647	3 647	-	-	-
Community Assets			204	-	2 810	912	3 727	3 727	200	1 400	1 600
Heritage Assets			-	-	-	-	-	-	-	-	-
Revenue Generating			258	-	-	-	-	-	-	-	-
Non-revenue Generating			-	-	-	-	-	-	-	-	-
Investment properties			258	-	-	-	-	-	-	-	-
Operational Buildings			-	56	-	650	817	817	5	-	-
Housing			-	-	-	3 000	3 000	3 000	-	-	-
Other Assets			-	58	-	3 659	3 817	3 817	5	-	-
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-
Services			362	-	12	-	-	-	-	-	-
Licences and Rights			-	-	-	-	-	-	255	-	-
Intangible Assets			362	-	12	-	-	-	255	-	-
Computer Equipment			-	-	-	587	587	587	608	1 660	1 228
Furniture and Office Equipment			979	551	303	185	203	203	367	539	493
Machinery and Equipment			254	249	408	380	595	595	838	-	58
Transport Assets			-	2 482	-	843	769	769	852	-	220
Libraries			355	-	1 048	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals			-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class			21 892	17 742	14 676	18 818	22 379	22 379	16 975	17 983	15 546
ASSET REGISTER SUMMARY - PPE (MDM)		5									
Roads Infrastructure			33 969	82 784	85 354	60 579	76 051	76 051	58 644	62 617	62 950
Storm water Infrastructure			137 722	3 047	7 432	-	-	-	25 050	28 458	27 836
Electrical Infrastructure			14 992	20 415	17 444	38 308	33 085	33 085	25 313	28 972	30 911
Water Supply Infrastructure			10 797	85 583	97 441	47 807	48 332	48 332	45 419	52 882	61 387
Sanitation Infrastructure			23 789	15 531	15 275	94 759	94 017	94 017	70 556	85 838	62 756
Solid Waste Infrastructure			-	-	-	11 913	11 853	11 853	75	68	57
Rail Infrastructure			-	-	-	-	-	-	-	-	-
Coastal Infrastructure			-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure			-	-	-	-	-	-	5	4	3
Infrastructure			191 249	217 634	223 946	279 332	284 372	284 372	233 167	238 647	242 118
Community Facilities			14 855	19 489	23 054	-	3 674	3 674	22 428	23 550	24 657
Sport and Recreation Facilities			-	-	-	-	3 647	3 647	-	-	-
Community Assets			14 855	19 489	23 054	-	7 320	7 320	12 429	13 550	14 657
Heritage Assets			-	-	-	-	-	-	2 384	2 324	2 384
Revenue Generating			-	-	-	19 688	19 688	19 688	-	-	-
Non-revenue Generating			2 324	2 324	2 324	-	-	-	24 470	24 375	24 275
Investment properties			2 324	2 324	2 324	19 688	19 688	19 688	34 478	34 373	34 273
Operational Buildings			68 946	60 525	58 904	650	817	817	21 282	21 171	21 055
Housing			-	-	-	3 000	3 000	3 000	-	-	-
Other Assets			68 946	60 525	58 904	3 659	3 817	3 817	21 282	21 171	21 053
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-
Services			-	-	-	-	-	-	-	-	-
Licences and Rights			470	413	417	430	430	430	532	539	282
Intangible Assets			470	413	417	430	430	430	569	569	282
Computer Equipment			-	-	-	780	780	780	1 778	2 919	3 588
Furniture and Office Equipment			-	-	-	185	203	203	2 530	2 625	2 625
Machinery and Equipment			-	-	-	80	595	595	1 244	785	311
Transport Assets			-	-	-	230	763	763	7 138	6 673	6 401
Libraries			-	-	-	-	-	-	3 960	3 964	3 753
Zoo's, Marine and Non-biological Animals			-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (MDM)		5	277 836	301 873	301 873	301 873	301 873	301 873	320 838	327 312	321 839



WC034 Swellendam - Table A9 Asset Management

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
EXPENDITURE OTHER ITEMS										
Demarcation	7	11 105	8 769	9 265	10 830	10 293	10 250	10 525	11 421	12 045
Repair and Maintenance by Asset Class	3	11 993	10 960	12 737	16 656	15 109	15 189	16 893	17 387	18 436
Roads Infrastructure		2 455	-	1 868	2 211	2 143	2 149	2 661	2 807	2 961
Storm water Infrastructure		-	-	-	662	569	686	686	705	744
Electrical Infrastructure		333	1 123	1 395	1 291	1 431	1 421	1 653	1 744	1 840
Water Supply Infrastructure		1 666	1 570	816	2 310	1 082	1 065	1 065	1 128	1 150
Sanitation Infrastructure		573	-	563	1 163	737	727	1 255	799	843
Solid Waste Infrastructure		321	-	1 050	1 056	1 006	1 006	1 061	1 113	1 151
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		5 937	3 893	5 734	8 893	7 444	7 444	8 947	8 892	8 754
Community Facilities		1 770	873	755	954	705	705	753	795	926
Sport and Recreation Facilities		289	-	230	325	362	362	662	698	738
Community Assets		2 648	874	936	1 287	1 037	1 037	1 476	1 494	1 633
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	196	-	-	-	-	-
Non-revenue Generating		-	-	-	-	267	287	286	302	318
Investment properties		-	-	-	196	217	217	216	302	318
Operational Buildings		-	-	971	525	477	477	567	568	631
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	971	525	477	477	567	568	631
Biological or Cultural Assets		-	-	-	-	-	-	-	-	-
Services		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		1 471	1 785	1 788	2 580	2 459	2 459	2 734	2 884	3 043
Furniture and Office Equipment		23	29	74	82	84	84	81	86	90
Machinery and Equipment		1 245	3 230	452	541	3 395	3 396	3 526	3 715	3 928
Transport Assets		1 278	2 633	2 711	2 536	5	5	5	6	6
Libraries		-	-	-	283	229	228	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		23 162	19 729	22 022	27 485	25 399	25 399	27 808	28 803	30 475
Renewal and upgrading of Existing Assets as % of total capex		0.0%	5.2%	6.0%	19.5%	22.2%	22.9%	72.1%	55.1%	51.7%
Renewal and upgrading of Existing Assets as % of deprec		9.0%	10.3%	6.0%	34.1%	43.2%	43.9%	113.1%	86.2%	94.7%
R&M as a % of PPE		4.9%	4.1%	4.5%	6.0%	5.4%	5.4%	5.8%	5.8%	6.0%
Renewal and upgrading and R&M as a % of PPE		4.0%	4.0%	4.0%	7.0%	7.0%	7.0%	9.3%	8.0%	9.9%



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Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40% of their capital budget to the renewal of existing assets and allocations to repairs and maintenance should be 8% of PPE. The municipality does not meet both of these recommendations, because as mentioned above the annual budget input process was absolutely cut to a level which is realistic and affordable, due to financial constraints.
3. The table above provides an analysis between depreciation and operational repairs and maintenance over the MTREF and highlights the fact that the municipality's capital budget is excessive and will not address the maintenance backlog.



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Table A10 - Basic Service Delivery Measurement

WC034 Swellendam - Table A10 Basic service delivery measurement

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets	1									
Water:										
Piped water inside dwelling		6 136	6 165	6 189	6 218	6 218	6 218	6 303	6 303	6 303
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		6 136	6 165	6 189	6 218	6 218	6 218	6 303	6 303	6 303
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	6 136	6 165	6 189	6 218	6 218	6 218	6 303	6 303	6 303
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		6 040	6 069	6 093	6 122	6 122	6 122	6 207	6 207	6 207
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		6 040	6 069	6 093	6 122	6 122	6 122	6 207	6 207	6 207
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	6	6 040	6 069	6 093	6 122	6 122	6 122	6 207	6 207	6 207
Energy:										
Electricity (at least min.service level)		802	825	836	864	834	834	854	834	854
Electricity - prepaid (min.service level)		5 149	5 189	5 209	5 295	5 269	5 269	5 354	5 354	5 354
Minimum Service Level and Above sub-total		6 051	6 052	6 105	6 153	6 153	6 153	6 248	6 248	6 248
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min.service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	7	6 051	6 052	6 105	6 153	6 153	6 153	6 248	6 248	6 248
Refuse:										
Removed at least once a week		6 039	6 052	6 058	6 158	6 158	6 152	6 243	6 243	6 243
Minimum Service Level and Above sub-total		6 039	6 052	6 058	6 158	6 158	6 152	6 243	6 243	6 243
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	8	6 039	6 052	6 058	6 158	6 158	6 152	6 243	6 243	6 243



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WC034 Swellendam - Table A10 Basic service delivery measurement

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Households receiving Free Basic Service	7									
Water (6 kilolitre per household per month)		1 500	1 500	1 562	1 594	1 594	1 594	1 594	1 690	1 791
Sanitation (free minimum level service)		1 500	1 500	1 562	1 594	1 594	1 594	1 594	1 690	1 791
Electricity/other energy (50kwh per household per month)		1 500	1 500	1 562	1 594	1 594	1 594	1 594	1 690	1 791
Refuse (removed at least once a week)		1 500	1 500	1 562	1 594	1 594	1 594	1 594	1 690	1 791
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitre per indigent household per month)		975	1 024	1 061	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		1 075	3 775	3 878	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		3 880	156	0	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		653	2 089	2 145	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-
Total cost of FBS provided		6 984	7 045	7 065	-	-	-	-	-	-
High level of free service provided per household										
Property rates (R value threshold)		100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
Water (kilolitre per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitre per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		198	265	219	236	236	236	250	256	261
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-
Revenue cost of subsidised services provided (R'000)	9									
Property rates (staff adjustment) (impossible values per section 17 of MPRSA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impossible values in excess of section 17 of MPRSA		3 092	3 040	3 162	3 636	3 735	3 735	3 642	3 844	4 055
Water (in excess of 6 kilolitre per indigent household per month)		-	-	-	1 262	1 262	1 262	569	521	655
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	4 336	4 274	4 274	4 573	4 350	5 201
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	365	365	365	422	445	459
Refuse (in excess of one removal a week for indigent households)		-	-	-	2 413	2 413	2 413	2 812	2 755	2 908
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided		3 092	3 040	3 162	12 332	12 139	12 139	11 929	12 595	13 289

Explanatory notes to Table A10 - Basic Service Delivery Measurement

- Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.



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Part 2 – Supporting Documentation

Section 5 - Overview of the annual budget process

Section 53 of the MFMA requires the mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the mayor in discharging the responsibilities set out in section 53 of the MFMA.

The Budget Steering Committee consists of the finance portfolio committee members.

The primary aim of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there are proper alignment between the policy and service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of the municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

5.1 Budget Process Overview

In terms of section 21 of the MFMA the mayor is required to table in council ten months before the start of the new financial year a time schedule that sets out the process to revise the IDP and prepare the budget.

The mayor tabled the required timetable end of August 2017.

5.2 Financial Modeling and Key Planning Drivers

The following key factors and planning strategies have informed the compilation of the 2018/19 MTREF:

- Municipality's growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- Debtor payment levels
- The need for tariff increases versus the ability of the community to pay for services
- Improved and sustainable service delivery



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In addition to the above, the strategic guidance given in National Treasury's MFMA Circular 91 has been taken into consideration in the planning and prioritisation process.

Section 6 - Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realised through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic program of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with national and provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPis);
- Accelerated and Shared Growth Initiative (ASGI);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.



The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP.

In order to ensure integrated and focused service delivery between all spheres of government it was important for the municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the municipality. The five-year program responds to the development challenges and opportunities faced by the municipality by identifying the key performance areas to achieve the strategic objectives.

The 2018/19 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

WC034 Swellendam - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
Enhance access to basic services and address maintenance backlogs	Basic service delivery	A		104 017	110 223	116 254	120 455	120 455	120 455	133 337	141 795	147 154
To create a capacitated people-centered institution	Institutional development and transformation	B		170	345	271	4 725	4 725	4 725	5 079	5 360	5 642
To create a safe and healthy living environment	Basic service delivery	C		23 458	30 056	37 145	29 452	29 452	29 452	31 368	33 089	34 913
To develop integrated and sustainable settlements with the view to correct spatial imbalances	Institutional development and transformation	D		37 339	16 657	7 804	1 353	1 353	1 353	302	984	1 038
To enhance economic development with focus on both first and second economies	Economic Development	E		437	705	724	970	970	970	1 021	1 077	1 136
To improve financial viability and management	Financial management	F		5 894	7 750	7 953	41 630	30 633	50 633	43 376	45 316	47 711
To promote good governance and community participation	Good governance and public participation	G		53 149	56 278	60 515	32 541	32 541	32 541	40 622	43 774	42 947
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	234 453	224 812	230 795	231 331	240 134	240 134	255 735	276 389	289 549



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Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

WC034 Swellendam - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective				Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
							Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand															
Enhance access to basic services and address maintenance backlogs	Basic service delivery	A		92 187	97 177	104 530	109 857	109 857	109 857	122 113	128 653	136 628			
To create a capacitated people-centered institution	Institutional development and transformation	B		6 452	8 134	8 790	12 350	12 350	12 350	12 224	13 084	14 067			
To create a safe and healthy living environment	Basic service delivery	C		28 868	33 855	40 477	43 307	43 387	43 307	47 798	50 792	53 878			
To develop integrated and sustainable settlements with the view to correct spatial imbalances	Institutional development and transformation	D		41 750	23 330	14 217	3 884	3 884	3 884	5 075	4 511	4 828			
To enhance economic development with focus on both first and second economies	Economic Development	E		1 897	1 740	1 645	2 465	2 465	2 465	2 570	2 733	2 896			
To improve financial viability and management	Financial management	F		21 429	20 350	22 187	20 905	30 875	30 875	32 178	33 904	38 118			
To promote good governance and community participation	Good governance and public participation	G		22 928	28 588	24 178	30 682	30 682	30 682	42 438	51 048	43 600			
Allocations to other priorities															
Total Expenditure				1			212 682	205 153	216 006	232 430	242 400	242 400	264 396	284 935	293 058

Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

WC034 Swellendam - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

2005/2006 Medium-Term Revenue and Expenditure Framework: Supporting Table A10: Reconciliation of the Strategic Objectives and Budget (Capital Expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
Enhance access to basic services and address maintenance backlogs	Basic service delivery	A		13 447	16 255	10 296	15 755	19 365	19 365	15 072	14 313	12 989
To create a capacitated people-centered institution	Institutional development and transformation	B		-	2	303	16	16	16	45	320	220
To create a safe and healthy living environment	Basic service delivery	C		1 180	1 041	3 582	2 116	2 116	2 116	635	-	-
To develop integrated and sustainable settlements with the view to correct spatial imbalances	Institutional development and transformation	D		85	2	207	10	10	10	83	1 400	1 058
To enhance economic development with focus on both first and second economies	Economic Development	E		-	-	-	-	-	-	-	-	-
To improve financial viability and management	Financial management	F		6 309	385	417	687	687	687	1 025	1 870	1 736
To promote good governance and community participation	Good governance and public participation	G		963	57	71	186	186	186	105	-	-
Allocations to other priorities												
Total Capital Expenditure				21 595	17 743	14 876	16 810	22 379	22 379	16 875	17 883	16 544



Section 7 - Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the municipality has developed and implemented a performance management system of which the system is constantly refined as the integrated planning process unfolds. The municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered, plans and budgets for next year, implementation for the current year and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting, implementation and reporting cycle can be graphically illustrated as follows:

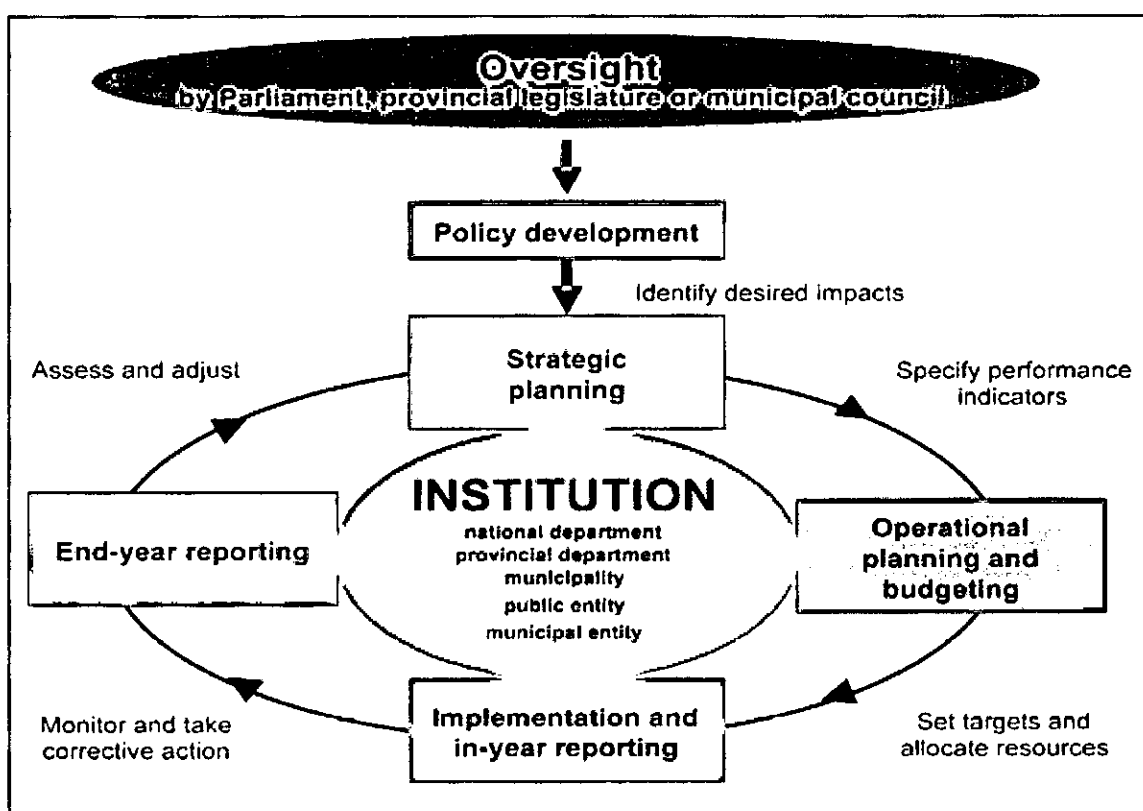


Figure 3 - Planning, budgeting, implementation and reporting cycle

The performance of the municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The municipality therefore has adopted one integrated performance management system which encompasses:



- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).



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The performance information concepts used by the municipality in its integrated performance management system are aligned to the *Framework of Managing Programme Performance Information* issued by National Treasury:

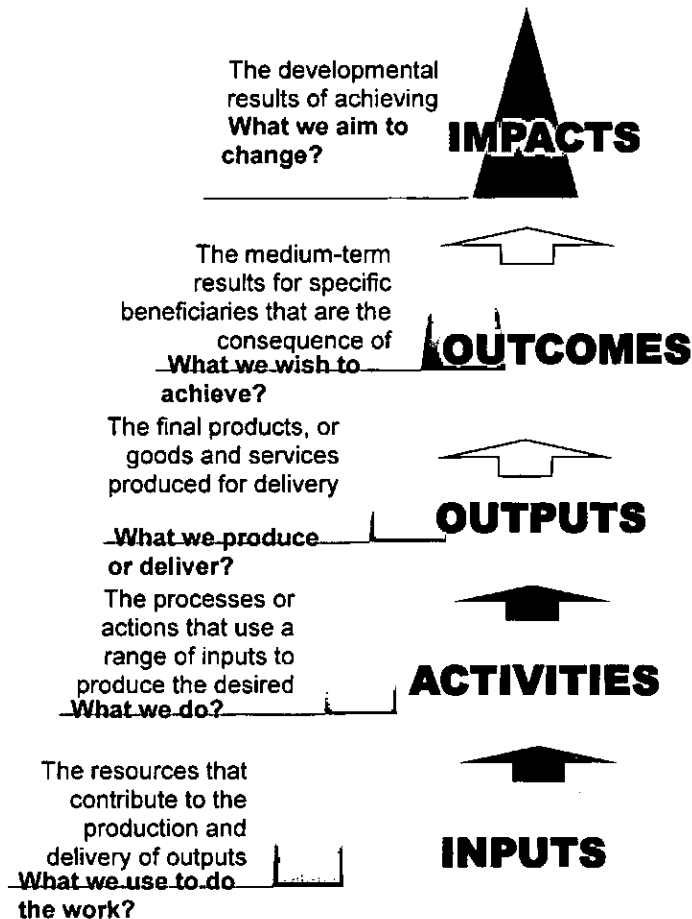


Figure 4 - Definition of performance information concepts



The following table sets out the municipality's main performance objectives and benchmarks for the 2018/19 MTREF.

Table SA8 - Performance indicators and benchmarks

WC034 Swellendam - Supporting Table SA8 Performance Indicators and benchmarks

Description of financial indicator	Basis of calculation	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Actual Outcome	Actual Outcome	Actual Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid / Operating Expenditure	5.8%	5.3%	5.6%	3.8%	3.1%	3.1%	3.1%	3.8%	3.9%	3.3%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing / Own Revenue	10.4%	7.9%	8.7%	5.0%	4.2%	4.2%	4.2%	5.2%	4.6%	4.5%
Borrowed funding of own capital expenditure	Borrowing/Capital expenditure and transfers and grants and contributions	235.8%	56.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Survey of Capital											
Debt Rating	Long Term Borrowing/ Funds & Reserves	423.7%	258.9%	242.0%	415.1%	415.1%	416.1%	416.1%	557.4%	523.7%	426.2%
Liquidity											
Current Ratio	Current assets/current liabilities	1.3	1.6	1.7	1.8	2.1	2.1	2.1	1.2	1.0	0.8
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.3	1.6	1.7	1.8	2.1	2.1	2.1	1.2	1.0	0.8
Liquidity Ratio	Monetary Assets/Current Liabilities	0.7	0.8	1.0	0.6	0.6	0.6	0.6	0.6	0.4	0.3
Receivables Management											
Annual Debtors Collection Rate (Payment Level %)	Less 12 Mths Receivables / 12 Mths Billing	96.1%	92.9%	90.8%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		97.2%	90.8%	97.4%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	8.7%	10.5%	12.3%	14.8%	14.4%	14.4%	14.4%	12.2%	13.4%	15.2%
Outstanding Debtors Ratio in net	Debtors > 12 Mths Receivables / Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Debtors Management											
Debtors System Efficiency	% of Debtors Paid Within Terms (within MPMA & 65%)	0.0%	0.0%	0.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Creditors to Cash and Investments		60.6%	34.7%	26.2%	112.5%	105.5%	106.5%	106.5%	93.0%	143.4%	209.4%
Other Indicators											
	Total Volume Loans (Rm)										
	Total Cost of Loans (Rand '000)	6 575	7 070	5 530	5 215	5 215	5 215	5 215	4 909	4 658	4 402
Electricity Distribution Losses (Z)	% Volume (units purchased and generated less units sold)/Units purchased and generated	13%	13%	10%	9%	9%	9%	9%	9%	9%	8%
	Total Volume Losses (Z)										
	Total Cost of Losses (Rand '000)	495	538	420	430	430	430	430	441	463	467
Water Distribution Losses (Z)	% Volume (units purchased and generated less units sold)/Units purchased and generated										
	Total Volume Losses (Z)										
	Total Cost of Losses (Rand '000)										
Employment costs	Employment costs / (Total Revenue - capital revenue)	30.4%	31.7%	34.7%	30.2%	30.1%	30.1%	30.1%	40.0%	40.1%	42.1%
Remuneration	Total remuneration / (Total Revenue - capital revenue)	32.1%	33.4%	36.7%	41.5%	41.1%	41.1%	41.1%	42.2%	42.2%	44.4%
Repairs & Maintenance	RAM / (Total Revenue excluding capital revenue)	5.8%	5.3%	5.9%	7.7%	5.8%	5.8%	5.8%	7.0%	5.9%	5.9%
Finance charges & Depreciation	FCAD / (Total Revenue - capital revenue)	11.7%	9.1%	8.5%	7.9%	5.8%	5.8%	5.8%	5.9%	6.5%	6.6%
Other indicators (financial viability indicators)											
1. Debt coverage	(Total Operating Revenue - Operating Grants) / (Debt service payments due within financial year)	19.7	19.7	25.2	26.7	26.7	26.7	19.8	22.2	24.0	25.5
2. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for service	15.1%	18.1%	19.9%	22.8%	22.8%	22.8%	22.8%	19.2%	21.4%	23.5%
3. Debt coverage	(Available cash + investments) / monthly fixed operational expenditure	2.8	2.7	3.5	1.2	1.0	1.0	1.0	2.1	1.8	1.6



7.1 Performance indicators and benchmarks

7.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. The borrowing strategy must be primarily informed by the affordability of debt repayments. The structure of the municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2018/19 MTREF:

- *Capital charges to operating expenditure* are a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing has been stable, while borrowing is considered a prudent financial instrument in financing capital infrastructure development, this indicator indicates that the capital program from new borrowings is realistic.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowings.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the municipality to meet its revenue targets and ensure its forecasted cash flow targets, but more so unrealistic capital programs from new borrowings.

7.1.2 Safety of Capital

The gearing ratio is a measure of the total long term borrowings over funds and reserves. The ratio peaked at 1.74. As part of the planning guidelines it implicates that the municipality must ensure proper cash-backing of reserves and funds as a prudent financial sustainability objective and limited new borrowings.

7.1.3 Liquidity

Current ratio is a measure of the current assets divided by the current liabilities. The ratio is 1.22 in the 2018/19 financial year.

The liquidity ratio is a measure of the ability of the municipality to utilise cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. The ratio is 0.6 in the 2018/19 financial year.



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7.1.4 Revenue Management

In order to reach the targets and maintains the level of outstanding debtors to revenue, an aggressive revenue management framework must be implemented, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of this strategy should be to ensure accurate billing, customer service, credit control and debt collection.

7.1.5 Creditors Management

For the municipality to ensure that creditors are settled within the legislated 30 days from date the invoice/statement poses to be a challenge. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure an almost 100% compliance rate to this legislative obligation.

7.1.6 Other Indicators

Both *water and electricity distribution losses* are material. Initiatives to ensure that targets are achieved include managing illegal connections and theft of electricity, including prepaid meters.



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Section 8 - Overview of budget related-policies

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

The following policies have been reviewed:

- Customer care and debt collection policy
- Asset Management, Infrastructure Investment, Funding and Reserve Policy
- Supply Chain Management Policy
- Budget Policy
- Banking Cash Management and Investment Policy
- Tariff Policy
- Bad Debt Write-Off Policy
- Preferential Procurement Policy
- Petty Cash Policy
- Irregular Expenditure Policy
- Funding and Reserve Policy
- Borrowing Policy
- Indigent Policy
- Rates Policy
- Financial borrowing policy



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Section 9 - Overview of budget assumptions

9.1 External factors

Swellendam's income base comprise of mostly residential consumers and rate payers of which a material percentage are retired people with a fixed monthly income.

Eskom price increases are an external factor that council has no control over.

9.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2018/19 MTREF:

- National government macro-economic targets;
- The general inflationary outlook and the impact on municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity; and
- The increase in the cost of remuneration.

Employee related costs comprise 36.98% of total operating expenditure in the forecast for the 2018/19 financial year and therefore these increases (which include salary increases and evaluation of posts) places a disproportionate upward pressure on the expenditure budget.

9.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing under certain conditions. The 2018/19 MTREF is based on the assumption that no borrowings will be utilised.

9.4 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions and relatively controlled inflationary conditions will continue for the forecasted term.

The rate of revenue collection is currently expressed as 101% of annual amounts billed.

9.5 Salary increases

Refer to paragraph 9.2



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Section 10 - Overview of budget funding

10.1 Medium-term outlook: operating revenue

Tariff setting plays a major role in ensuring desired levels of revenue. Correct and accurate tariffs are imperative in the compilation of a credible and funded budget. The municipality derives most of its operational revenue from the delivery of goods and services such as water, electricity, sanitation and solid waste removal. Apart from the services, other revenue i.e., operating grants, building plan fees, licenses and permits, fines etc. are applicable. The rates and taxes will then be the shortfall in revenue, after all the revenue resources have been determined and will reflect the balancing number.

The proposed tariff increases for the 2018/19 MTREF on the different revenue categories are as follows:

- Property rates - 9.5 % (No fixed percentage increase, due to the implementation of the general valuation roll. The 9.5% indicates total income increase, with a decrease in the tariff of 19%.)
- Electricity - 6% (to be determined by NERSA)
- Water (units) - 20% (depending on usage)
- Refuse Removal - 8%
- Sewerage - 7%

The tables below provide detail investment information and investment particulars by maturity.

Table SA15 – Detail Investment Information

WC034 Swellendam - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
Parent municipality										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Consolidated total:		-	-	-	-	-	-	-	-	-

Table SA16 – Investment particulars by maturity

Not applicable as the municipality does not have investments at year end.



Section 11 - Councillor and employee benefits

Table SA22 - Summary of councillor and staff benefits

WC034 Swellendam - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year+1 2019/20	Budget Year+2 2020/21
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		3 359	3 655	4 379	5 124	3 650	3 860	4 061	4 365	4 692
Pension and UIF Contributions		-	-	-	-	326	325	343	368	395
Medical Aid Contributions		-	-	-	-	17	17	18	20	21
Motor Vehicle Allowance		-	-	-	-	318	318	335	360	387
Cellphone Allowance		-	-	-	-	449	443	472	508	545
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		3 359	3 655	4 379	5 124	4 970	4 970	5 228	5 620	6 042
% Increase	4		7,5%	19,8%	17,0%	(3,0%)	-	5,2%	7,5%	7,5%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		3 805	3 747	4 422	6 002	4 421	4 421	4 858	5 223	5 614
Pension and UIF Contributions		664	638	624	-	550	550	679	730	785
Medical Aid Contributions		-	-	-	-	104	104	101	109	117
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	512	537	-	-	-	-	-	-
Motor Vehicle Allowance	3	397	339	447	-	513	513	488	522	559
Cellphone Allowance	3	49	45	50	-	11	11	14	15	17
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	24	133	-	137	137	120	129	138
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		5 016	5 308	6 213	6 002	5 736	5 736	6 281	6 728	7 230
% Increase	4		5,8%	17,1%	(3,4%)	(4,4%)	-	9,2%	7,5%	7,5%
Other Municipal Staff										
Basic Salaries and Wages		35 134	38 639	42 175	50 231	51 731	51 731	59 699	64 145	68 923
Pension and UIF Contributions		8 432	9 546	10 895	8 892	8 705	8 705	9 630	10 343	11 109
Medical Aid Contributions		-	-	-	6 588	5 145	5 145	5 612	6 026	6 470
Overtime		2 571	3 098	3 103	3 207	3 183	3 183	3 154	3 390	3 645
Performance Bonus		565	-	270	653	-	-	-	-	-
Motor Vehicle Allowance	3	3 619	3 935	4 784	4 419	4 111	4 111	5 261	5 656	6 090
Cellphone Allowance	3	-	-	-	-	2	2	29	31	34
Housing Allowances	3	243	412	417	531	596	596	593	637	684
Other benefits and allowances	3	2 945	3 278	5 405	3 521	4 131	4 131	3 652	3 935	4 228
Payments in lieu of leave		-	-	-	935	935	935	984	1 038	1 095
Long service awards		171	219	157	-	266	266	521	560	601
Post retirement benefit obligations	6	2 843	1 606	1 720	-	1 675	1 675	2 387	2 516	2 657
Sub Total - Other Municipal Staff		56 572	60 733	68 927	78 038	80 481	80 481	91 533	98 280	105 526
% Increase	4		7,4%	13,5%	14,7%	1,8%	-	13,7%	7,4%	7,4%
Total Parent Municipality		64 986	69 693	79 519	90 163	91 186	91 186	103 022	110 628	118 798
			7,2%	14,1%	13,4%	1,1%	-	13,0%	7,4%	7,4%
TOTAL SALARY, ALLOWANCES & BENEFITS		64 986	69 693	79 519	90 163	91 186	91 186	103 022	110 628	118 798
% Increase	4		7,2%	14,1%	13,4%	1,1%	-	13,0%	7,4%	7,4%
TOTAL MANAGERS AND STAFF	5,7	61 588	66 039	75 140	85 039	86 217	86 217	97 794	105 008	112 756



Section 12 - Monthly targets for revenue, expenditure and cash flow



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Table SA25 - Budgeted monthly revenue and expenditure
WC034 Swellendam - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source																
Property rates		2 726	2 736	4 875	2 721	2 746	2 756	2 999	3 006	3 031	3 018	3 026	2 876	36 511	36 519	40 638
Service charges - electricity revenue		8 377	7 585	5 535	5 645	5 585	5 625	5 665	5 545	5 525	5 635	8 376	9 093	78 193	82 494	87 031
Service charges - water revenue		1 285	1 295	1 166	1 155	2 045	2 060	2 075	1 525	1 160	1 175	1 165	1 163	17 265	18 236	19 239
Service charges - sanitation revenue		1 299	1 219	1 129	1 238	1 109	1 169	1 243	1 119	1 229	1 138	1 148	1 189	14 144	14 922	15 743
Service charges - refuse revenue		735	685	665	695	705	780	650	715	745	725	735	645	8 481	8 927	9 417
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		42	49	50	52	41	46	49	47	36	38	39	38	525	554	584
Interest earned - external investments		241	253	251	281	326	221	341	236	301	311	321	289	3 358	3 552	3 747
Interest earned - outstanding debtors		76	74	72	85	75	86	81	71	84	82	80	70	941	993	1 045
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		836	847	858	846	854	838	822	830	819	847	840	18 820	28 052	29 585	31 223
Licences and permits		74	75	74	69	65	62	77	73	70	66	64	76	857	904	954
Agency services		131	134	119	124	142	141	116	132	137	122	125	115	1 540	1 625	1 714
Transfers and subsidies		13 423	1 718	1 295	1 295	1 718	10 963	1 295	1 718	10 963	1 295	1 295	2 901	49 878	57 084	50 337
Other revenue		292	301	298	267	287	288	295	285	288	281	290	284	3 420	3 682	3 864
Gains on disposal of PPE		-	-	-	-	-	-	-	-	250	250	250	250	1 000	1 000	2 000
Total Revenue (excluding capital transfers and contributions)		29 446	16 971	16 385	14 504	15 695	25 024	15 711	15 301	24 634	14 982	17 779	37 811	244 244	262 068	287 559
Expenditure By Item																
Employee related costs		7 473	7 423	7 483	7 483	7 503	15 045	7 538	7 583	7 553	7 823	7 573	7 528	97 794	105 088	112 756
Remuneration of councillors		413	412	417	408	420	411	415	415	478	477	479	481	5 228	5 620	6 042
Debt impairment		-	-	-	-	-	-	-	-	10 570	-	-	10 470	21 040	22 197	23 416
Depreciation & asset impairment		-	-	2 726	-	-	2 686	-	-	2 691	-	-	2 721	10 625	11 421	12 049
Finance charges		918	-	875	-	-	908	910	-	888	-	-	885	5 390	5 695	6 018
Bulk purchases		2 388	4 727	4 747	4 837	4 847	4 742	4 787	4 717	4 807	4 827	5 277	8 700	57 319	60 471	63 757
Other materials		1 618	1 629	1 578	1 549	1 604	1 559	1 564	1 639	1 587	1 599	2 109	2 720	20 917	21 474	22 743
Contracted services		1 477	1 435	1 417	1 392	1 430	1 467	1 537	1 517	1 500	1 453	1 987	2 479	19 075	24 178	14 828
Transfers and subsidies		342	342	342	342	348	240	70	70	70	70	70	71	2 372	3 067	3 157
Other expenditure		2 089	2 118	2 140	2 158	2 041	2 031	1 913	2 103	1 936	1 954	1 936	1 967	24 435	25 302	27 246
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		16 717	18 083	21 739	18 269	18 251	29 080	18 535	18 024	32 080	18 003	19 481	35 023	264 395	264 635	292 065
Surplus/(Deficit)		12 729	(1 112)	(5 353)	(3 765)	(2 556)	(4 056)	(2 824)	(2 723)	(7 446)	(3 021)	(1 692)	1 787	(20 151)	(22 849)	(24 506)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		1 656	1 656	1 656	1 656	1 688	1 151	338	338	338	338	338	338	11 491	14 313	12 890
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		14 385	543	(3 697)	(2 110)	(889)	(2 915)	(2 605)	(2 385)	(7 108)	(2 883)	(1 344)	2 126	(8 660)	(8 536)	(11 517)
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As tribute to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of association		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	14 385	543	(3 697)	(2 110)	(889)	(2 915)	(2 605)	(2 385)	(7 108)	(2 883)	(1 344)	2 126	(8 660)	(8 536)	(11 517)



Table SA26 - Budgeted monthly revenue and expenditure (municipal vote)

WC034 Swellendam - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote																
Vote 1 - Municipal Manager		12	17	43	149	74	1	37	78	4	1	2	7	375	16	16
Vote 2 - Corporate Services		7 122	4 025	1 658	2 168	2 775	5 853	2 168	2 477	1 238	310	310	662	30 957	33 565	37 386
Vote 3 - Financial Services		4 771	3 036	3 793	2 183	2 183	3 904	1 735	5 265	4 070	2 338	3 478	6 716	43 376	45 316	47 711
Vote 4 - Engineers Service		14 585	8 742	8 631	9 990	9 990	12 488	8 742	6 244	11 238	8 742	9 990	15 087	124 681	132 874	137 743
Vote 5 - Community Services		4 210	2 807	3 718	1 684	2 375	3 930	3 368	1 684	6 420	3 930	4 345	15 666	56 137	64 638	57 692
Total Revenue by Vote		31 102	18 627	18 042	16 160	17 383	26 175	16 050	15 639	24 972	15 320	18 117	38 148	255 735	278 358	280 546
Expenditure by Vote to be appropriated																
Vote 1 - Municipal Manager		517	255	706	648	218	719	1 037	382	172	487	487	814	6 473	7 448	7 847
Vote 2 - Corporate Services		2 014	2 628	2 603	1 285	2 603	3 580	2 278	2 603	3 580	1 730	2 449	5 178	32 542	33 723	35 629
Vote 3 - Financial Services		2 252	1 748	1 267	2 896	2 574	3 540	2 252	2 252	3 861	2 252	2 252	5 012	32 178	33 904	36 118
Vote 4 - Engineers Service		9 551	10 224	12 133	7 525	7 687	13 133	7 920	8 357	13 127	8 357	8 357	13 019	119 392	126 018	133 848
Vote 5 - Community Services		2 382	3 220	5 009	5 905	5 167	8 119	5 167	4 429	11 340	5 167	5 905	12 001	73 811	83 845	78 553
Total Expenditure by Vote		18 717	18 083	21 739	18 259	18 251	29 090	18 655	18 024	32 060	18 003	19 461	38 024	264 355	284 935	292 065
Surplus/(Deficit) before assoc.		14 385	544	(3 696)	(2 100)	(868)	(2 915)	(2 605)	(2 385)	(7 108)	(2 684)	(1 344)	2 123	(8 661)	(8 538)	(11 518)
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/(deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	14 385	544	(3 696)	(2 100)	(868)	(2 915)	(2 605)	(2 385)	(7 108)	(2 684)	(1 344)	2 123	(8 661)	(8 538)	(11 518)



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Table SA27 - Budgeted monthly revenue and expenditure (standard classification)

WC034 Swellendam - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional																
Governance and administration		13 023	7 247	5 820	5 014	4 001	11 246	3 708	4 427	9 711	3 646	4 789	14 231	87 134	80 153	96 762
Executive and council		9 123	2 709	894	1 269	2 867	6 141	304	1 590	838	442	251	3 992	30 409	32 587	36 365
Finance and administration		3 971	4 538	4 926	3 745	1 134	5 105	3 403	2 836	8 875	3 403	4 538	10 240	56 724	57 568	80 397
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		1 265	1 354	1 356	758	990	1 464	1 032	1 141	1 542	811	919	3 631	16 272	22 580	13 321
Community and social services		506	490	492	521	585	492	492	493	55	55	55	1 249	5 468	5 770	6 181
Sport and recreation		72	82	82	41	41	92	51	81	28	72	82	328	1 024	1 081	1 140
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		685	782	782	196	391	850	489	587	1 457	885	782	2 054	9 780	15 730	6 000
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		3 522	1 658	1 622	1 273	2 537	2 892	727	655	2 525	2 250	2 597	9 879	32 136	32 851	35 712
Planning and development		71	89	53	18	27	69	3	27	15	53	87	250	792	804	849
Road transport		3 451	1 569	1 569	1 256	2 510	2 824	725	627	2 510	2 196	2 510	9 629	31 373	33 046	34 884
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		13 221	8 368	9 244	9 116	9 847	10 572	10 583	9 417	11 194	8 414	9 812	10 406	120 194	129 814	134 752
Energy services		8 829	6 120	6 227	6 078	6 802	7 224	6 948	5 814	7 584	5 618	6 421	6 797	80 261	87 585	90 307
Water management		1 901	853	1 271	1 272	1 465	1 556	1 556	1 814	1 602	1 210	1 383	1 401	17 235	18 238	19 339
Waste water management		1 560	884	1 083	1 116	1 128	1 139	1 149	1 138	1 310	993	1 310	1 360	14 185	14 966	15 789
Waste management		931	531	657	549	650	654	931	652	689	582	689	817	8 461	8 927	9 417
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional		31 102	18 627	19 042	18 180	17 383	26 175	18 050	16 639	24 972	15 320	18 117	38 146	255 735	276 338	280 548
Expenditure - Functional																
Governance and administration		6 432	5 021	5 910	4 086	4 868	8 778	5 650	4 868	11 814	4 707	5 483	12 045	78 867	85 054	90 525
Executive and council		2 052	2 217	2 561	1 283	1 536	2 822	1 796	1 539	3 382	1 539	1 786	3 098	25 634	27 805	29 456
Finance and administration		4 264	2 827	3 153	2 527	3 153	5 780	3 878	3 153	8 407	3 153	3 678	8 933	52 545	55 673	59 386
Internal audit		176	176	176	176	176	176	176	176	176	15	15	15	1 468	1 576	1 693
Community and public safety		3 057	1 724	1 851	2 177	2 572	3 215	2 177	2 345	2 974	1 536	1 651	4 245	29 226	36 532	29 340
Community and social services		1 245	562	592	592	592	723	582	585	66	66	86	70	6 576	7 043	7 521
Sport and recreation		888	556	666	777	777	1 221	777	666	777	777	777	2 441	11 097	11 853	12 662
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		924	578	693	809	809	1 271	809	693	1 733	693	809	1 733	11 553	17 635	8 048
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		3 575	2 311	3 317	3 230	3 258	5 078	3 230	2 769	6 323	2 769	3 330	7 041	46 148	48 038	51 031
Planning and development		288	293	302	354	360	597	354	304	581	304	354	890	5 091	4 503	4 626
Road transport		3 287	2 838	3 015	2 876	2 876	4 520	2 876	2 485	5 642	2 465	2 876	6 151	41 087	43 534	46 205
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		3 444	8 948	10 514	9 683	7 474	11 693	7 539	7 960	11 205	8 922	9 821	12 591	108 194	114 089	120 867
Energy services		2 113	7 094	7 274	5 636	4 675	7 744	4 931	4 931	7 905	5 636	5 636	6 867	79 448	74 450	78 882
Water management		449	534	1 124	870	761	1 195	720	870	1 208	879	1 208	859	10 878	11 588	12 344
Waste water management		492	601	820	1 313	1 149	1 805	1 149	1 313	1 149	1 313	1 149	1 313	16 407	16 957	18 076
Waste management		389	670	1 296	894	880	1 144	740	846	943	1 153	864	709	10 461	11 094	11 765
Other		209	56	47	93	81	123	56	81	153	70	104	1 191	1 225	1 292	1 292
Total Expenditure - Functional		16 717	18 083	21 739	18 263	18 281	29 090	18 655	18 024	32 089	18 003	19 461	36 028	284 396	284 935	282 058
Surplus(Deficit) before assets		14 385	545	(3 696)	(2 105)	(898)	(2 914)	(2 605)	(2 385)	(7 108)	(2 683)	(1 343)	2 118	(8 661)	(8 598)	(11 510)
Share of surplus (deficit) of associates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus(Deficit)	1	14 385	545	(3 696)	(2 105)	(898)	(2 914)	(2 605)	(2 385)	(7 108)	(2 683)	(1 343)	2 121	(8 661)	(8 598)	(11 510)



Table SA28 - Budgeted monthly capital expenditure (municipal vote)

WC034 Swellendam - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Multi-year expenditure to be appropriated	1															
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Engineers Service		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - Municipal Manager		2	2	2	2	2	2	2	2	2	2	2	2	21	-	-
Vote 2 - Corporate Services		10	10	10	10	10	10	10	10	10	10	10	10	115	1 400	1 600
Vote 3 - Financial Services		85	85	85	85	85	85	85	85	85	85	85	85	1 026	1 870	1 736
Vote 4 - Engineers Service		2 247	2 247	2 247	2 247	2 294	1 501	300	300	300	300	300	300	14 581	14 633	13 210
Vote 5 - Community Services		103	103	103	103	103	103	103	103	103	103	103	103	1 234	-	-
Capital single-year expenditure sub-total	2	2 446	2 446	2 446	2 446	2 493	1 701	499	499	499	499	499	499	16 975	17 903	16 546
Total Capital Expenditure	2	2 446	2 446	2 446	2 446	2 493	1 701	499	499	499	499	499	499	16 975	17 903	16 546



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Table SA29 - Budgeted monthly capital expenditure (standard classification)

WC034 Swellendam - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Functional	1															
Governance and administration		108	108	108	108	108	108	108	108	108	108	108	108	1 286	2 180	1 856
Executive and council		2	2	2	2	2	2	2	2	2	2	2	2	20	-	-
Finance and administration		106	106	106	106	106	106	106	106	106	106	106	106	1 276	2 190	1 956
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		27	27	27	27	27	27	27	27	27	27	27	27	319	-	-
Community and social services		7	7	7	7	7	7	7	7	7	7	7	7	84	-	-
Sport and recreation		29	29	29	29	29	29	29	29	29	29	29	29	235	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		755	755	755	755	802	59	59	59	59	59	59	59	4 232	8 953	1 600
Planning and development		8	8	8	8	8	8	8	8	8	8	8	8	95	1 400	1 600
Road transport		747	747	747	747	794	51	51	51	51	51	51	51	4 137	5 553	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		1 557	1 557	1 557	1 557	1 557	1 507	306	306	306	306	306	306	11 129	8 760	12 990
Energy services		157	157	157	157	157	157	157	157	157	157	157	157	2 005	4 452	2 783
Water management		1 064	1 064	1 064	1 064	1 064	1 014	21	21	21	21	21	21	6 458	4 308	10 207
Waste water management		283	283	283	283	283	283	75	75	75	75	75	75	2 151	-	-
Waste management		43	43	43	43	43	43	43	43	43	43	43	43	515	-	-
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	2	2 446	2 446	2 446	2 446	2 493	1 701	499	499	499	499	499	499	16 975	17 903	16 546
Funded by:																
National Government		1 884	1 884	1 884	1 884	1 931	1 138	145	145	145	145	145	145	11 475	14 313	12 990
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		1 884	1 884	1 884	1 884	1 931	1 138	145	145	145	145	145	145	11 475	14 313	12 990
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		562	562	562	562	562	562	354	354	354	354	354	354	5 500	3 589	3 556
Total Capital Funding		2 446	2 446	2 446	2 446	2 493	1 701	499	499	499	499	499	499	16 975	17 903	16 546



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Section 13 - Contracts having future budgetary implications

In terms of the municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.



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Section 14 - Capital expenditure details

The following tables present details of the municipality's capital expenditure program.



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Table SA 34a - Capital expenditure on new assets by asset class

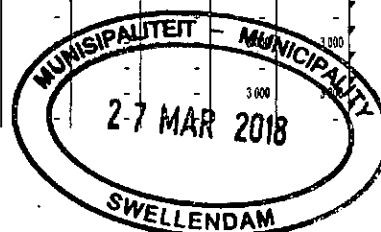
WC034 Swellendam - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		19 581	19 531	10 296	8 945	7 731	7 731	1 779	4 452	2 783
Roads Infrastructure		1 845	5 193	4 345	130	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		1 845	5 193	4 345	130	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	3 844	230	2 255	278	278	1 739	4 452	2 783
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	3 844	230	1 754	278	278	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	1 739	4 452	2 783
Capital Spares		-	-	-	501	-	-	-	-	-
Water Supply Infrastructure		3 787	4 294	5 720	4 321	5 874	5 874	-	-	-
Dams and Weirs		172	-	4 801	2 854	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	1 196	-	-	-	-	-
Pump Stations		-	-	-	96	96	96	-	-	-
Water Treatment Works		-	-	-	180	-	-	-	-	-
Bulk Mains		3 625	4 294	919	-	5 784	5 784	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		13 938	-	-	2 193	1 577	1 577	40	-	-
Pump Station		-	-	-	-	180	180	-	-	-
Refiltration		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		13 938	-	-	2 193	1 397	1 397	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	40	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	50	-	-	-	-	-
Landfill Sites		-	-	-	50	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-



WC034 Swellendam - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Community Assets		204	-	2 810	912	3 647	3 647	-	1 400	1 600
Community Facilities		204	-	277	20	-	-	-	1 400	1 600
Halls		204	-	56	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	151	-	-	-	-	-	-
Public Open Space		-	-	-	10	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Rank/Bus Terminals		-	-	-	-	-	-	-	1 400	1 600
Capital Spares		-	-	71	10	-	-	-	-	-
Sport and Recreation Facilities		-	-	2 533	892	3 647	3 647	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	2 533	892	3 647	3 647	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment Properties		258	-	-	-	-	-	-	-	-
Revenue Generating		258	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		258	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		-	58	-	3 850	3 715	3 715	-	-	-
Operational Buildings		-	58	-	650	715	715	-	-	-
Municipal Offices		-	58	-	50	665	665	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	600	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	50	50	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	3 000	3 000	-	-	-
Staff Housing		-	-	-	-	3 000	3 000	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-



WC034 Swellendam - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
<u>Biological or Cultivated Assets</u>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<u>Intangible Assets</u>		362	-	12	-	-	-	295	-	-
Services		362	-	12	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	295	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	295	-	-
Local Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<u>Computer Equipment</u>		-	-	-	587	587	587	600	1 660	1 225
Computer Equipment		-	-	-	587	587	587	600	1 660	1 225
<u>Furniture and Office Equipment</u>		979	551	303	90	203	203	367	530	460
Furniture and Office Equipment		979	551	303	90	203	203	367	530	460
<u>Machinery and Equipment</u>		254	202	406	260	595	595	838	-	50
Machinery and Equipment		254	202	406	260	595	595	838	-	50
<u>Transport Assets</u>		-	2 482	-	573	769	769	852	-	220
Transport Assets		-	2 482	-	573	769	769	852	-	220
<u>Libraries</u>		355	-	1 043	-	-	-	-	-	-
Libraries		355	-	1 043	-	-	-	-	-	-
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	21 992	16 825	14 876	15 120	17 247	17 247	4 732	9 042	6 339

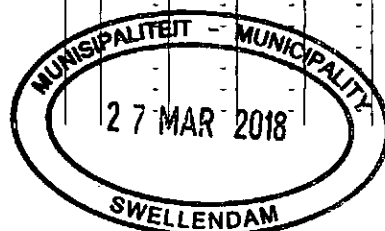


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Table SA34c - Repairs and maintenance expenditure by asset class

WC034 Swellendam - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Repairs and maintenance expenditure by Asset Class/Sub-class	1									
Infrastructure		5 997	3 093	5 734	8 693	7 044	7 044	8 387	8 302	8 759
Roads Infrastructure		2 485	-	1 888	2 211	2 149	2 149	2 561	2 807	2 991
Roads		2 485	-	1 888	73	1 884	1 984	2 487	2 624	2 759
Road Structures		-	-	-	1 874	-	-	-	-	-
Road Furniture		-	-	-	284	185	185	173	183	193
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	663	669	669	668	705	744
Drainage Collection		-	-	-	-	659	669	668	705	744
Storm water Conveyance		-	-	-	663	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		333	1 123	1 386	1 281	1 421	1 421	1 553	1 744	1 840
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		718	986	1 276	1 284	1 314	1 314	1 545	1 638	1 720
MV Substations		-	-	-	-	5	5	5	5	6
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		117	137	129	7	102	102	103	108	115
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		1 696	1 970	816	2 316	1 069	1 069	1 069	1 128	1 190
Dams and Weirs		16	-	-	10	89	89	91	96	101
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		338	285	576	874	704	704	787	748	787
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		1 342	1 885	242	1 583	276	276	271	286	302
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	48	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		573	-	583	1 180	727	727	1 255	799	843
Pump Station		-	-	-	-	-	-	-	-	-
Retention		285	-	385	353	-	-	-	-	-
Waste Water Treatment Works		287	-	275	807	727	727	1 255	799	843
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		321	-	1 050	1 056	1 009	1 009	1 061	1 113	1 181
Landfill Sites		321	-	1 050	1 056	1 009	1 009	1 061	1 113	1 181
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Cable Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-



WC034 Swellendam - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Community Assets		2 868	878	995	1 283	1 087	1 087	1 415	1 494	1 653
Community Facilities		1 770	878	766	964	785	785	753	755	926
Halls		115	106	148	215	110	110	111	117	124
Centres		-	-	-	-	30	30	30	32	120
Cribs		-	-	-	-	-	-	-	-	-
Clinic/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		181	72	128	161	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		544	234	163	-	-	-	40	41	45
Cemeteries/Crematorium		142	63	76	116	99	99	98	103	109
Police		-	-	-	-	-	-	-	-	-
Ports		788	403	251	-	456	456	474	500	528
Public Open Space		-	-	-	472	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Attraction Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		298	-	230	329	382	382	663	699	738
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		298	-	230	329	382	382	663	699	738
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	196	287	287	286	302	318
Revenue Generating		-	-	-	196	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	196	-	-	-	-	-
Non-revenue Generating		-	-	-	-	287	287	286	302	318
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	287	287	286	302	318



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WC034 Swellendam - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	FuY Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Other assets		-	-	971	526	477	477	567	588	631
Operational Buildings		-	-	971	526	477	477	567	588	631
Municipal Offices		-	-	971	505	468	468	559	583	622
Pay/Expiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	20	9	9	8	8	9
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Services		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Local Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		1 471	1 705	1 788	2 500	2 499	2 499	2 734	2 884	3 043
Computer Equipment		1 471	1 705	1 788	2 500	2 499	2 499	2 734	2 884	3 043
Furniture and Office Equipment		23	20	74	89	84	84	81	86	90
Furniture and Office Equipment		23	20	74	89	84	84	81	86	90
Machinery and Equipment		1 245	3 230	462	541	3 386	3 386	3 526	3 715	3 920
Machinery and Equipment		1 245	3 230	462	541	3 386	3 386	3 526	3 715	3 920
Transport Assets		1 279	2 033	2 711	2 535	5	5	6	6	6
Transport Assets		1 279	2 033	2 711	2 535	5	5	6	6	6
Libraries		-	-	-	233	229	229	-	-	-
Libraries		-	-	-	233	229	229	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	11 983	18 963	12 737	16 856	15 109	15 109	15 983	17 387	18 438
R&M as a % of PPE		4,9%	4,1%	4,6%	6,0%	5,4%	5,4%	6,0%	5,9%	6,1%
R&M as % Operating Expenditure		5,6%	5,3%	5,9%	7,2%	6,2%	6,2%	7,0%	6,6%	6,9%

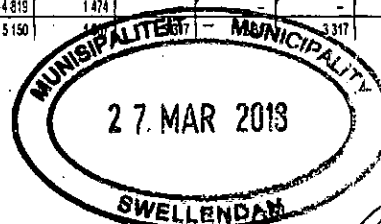


Section 15 - Other supporting documents

Table SA1 - Supporting detail to budgeted financial performance

WC034 Swellendam - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		29 502	32 327	35 765	38 854	40 585	40 585	40 585	40 154	42 363	44 693
less Revenue foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MSA)		3 052	3 040	3 162	3 896	3 795	3 795	3 795	3 643	3 844	4 065
Net Property Rates		26 439	29 287	32 603	34 958	36 791	36 791	36 791	36 511	38 519	40 628
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		55 512	61 230	57 088	79 004	69 951	69 951	69 951	78 615	82 939	87 500
less Revenue foregone (in excess of 50 kWh per indigent household per month)		-	-	-	395	395	395	395	422	445	459
less Cost of Free Basis Services (50 kWh per indigent household per month)		3 943	159	0	-	-	-	-	-	-	-
Net Service charges - electricity revenue		51 569	61 071	57 088	78 609	69 556	69 556	69 556	78 193	82 494	87 041
Service charges - water revenue	6										
Total Service charges - water revenue		11 552	12 819	14 660	15 362	14 831	14 831	14 831	17 874	18 857	19 894
less Revenue foregone (in excess of 6 kilolitres per indigent household per month)		-	-	-	1 262	1 262	1 262	1 262	589	621	655
less Cost of Free Basis Services (5 kilolitres per indigent household per month)		875	1 024	1 061	14 100	13 569	13 569	13 569	17 285	18 236	19 239
Net Service charges - water revenue		10 677	11 795	13 599	14 100	13 569	13 569	13 569	17 285	18 236	19 239
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		13 052	14 579	16 319	17 434	17 579	17 579	17 579	18 817	19 852	20 944
less Revenue foregone (in excess of free sanitation service to indigent households)		-	-	-	4 355	4 274	4 274	4 274	4 673	4 930	5 201
less Cost of Free Basis Services (free sanitation service to indigent households)		1 276	3 773	3 277	-	-	-	-	-	-	-
Net Service charges - sanitation revenue		11 776	10 805	13 042	13 079	13 305	13 305	13 305	14 144	14 922	15 743
Service charges - refuse revenue	6										
Total refuse removal revenue		8 190	8 933	9 667	10 526	10 526	10 526	10 526	11 073	11 582	12 325
Total landfill revenue		-	-	-	-	-	-	-	-	-	-
less Revenue foregone (in excess of one removal a week to indigent households)		-	-	-	2 413	2 413	2 413	2 413	2 612	2 755	2 908
less Cost of Free Basis Services (removed once a week to indigent households)		711	3 155	2 145	-	-	-	-	-	-	-
Net Service charges - refuse revenue		7 479	5 778	7 522	8 113	8 113	8 113	8 113	8 461	8 827	9 417
Other Revenue by source											
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Other Revenues		-	-	-	-	-	-	-	-	-	-
Operational Revenue - Other		-	-	-	-	273	273	273	287	303	320
Operational Revenue - Registration Fees		-	-	-	-	-	-	-	-	-	-
Operational Revenue - Sale of Property		-	-	-	-	32	32	32	34	36	38
Sales of Goods and Rendering of Services - Building Plans		-	-	-	-	567	567	567	597	630	664
Sales of Goods and Rendering of Services - Camping Fees		-	-	-	-	911	911	911	956	1 011	1 067
Sales of Goods and Rendering of Services - Legal Fees		-	-	-	-	-	-	-	-	-	-
Sales of Goods and Rendering of Services - Other		-	-	-	-	417	417	417	439	463	489
Sales of Goods and Rendering of Services - Removal of Restrictions		-	-	-	-	176	176	176	166	195	205
Sales of Goods and Rendering of Services - Weighbridge Fees		-	-	-	-	940	940	940	989	1 043	1 100
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Change of Phasing		26	26	30	29	-	-	-	-	-	-
Valuation certificates		142	178	178	171	-	-	-	-	-	-
Telephone		67	96	74	80	-	-	-	-	-	-
Tenders		73	125	48	54	-	-	-	-	-	-
Other Revenue	3	6 394	6 766	4 819	1 474	-	-	-	-	-	-
Total 'Other' Revenue	1	6 703	7 191	5 150	3 017	-	-	3 317	3 490	3 682	3 884



WC034 Swellendam - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description		Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
EXPENDITURE ITEMS:												
Employee related costs												
Basic Salaries and Wages	2		41 699	45 283	48 808	56 233	56 152	56 152	56 152	64 557	69 368	74 537
Pension and UIF Contributions			5 614	6 180	7 087	8 892	9 255	9 255	9 255	10 308	11 073	11 894
Medical Aid Contributions			2 881	3 335	3 850	6 588	5 250	5 250	5 250	5 713	6 135	6 587
Overtime			2 571	3 098	3 103	3 207	3 183	3 183	3 183	3 154	3 390	3 845
Performance Bonus			565	410	807	653	-	-	-	-	-	-
Motor Vehicle Allowance			2 244	2 446	3 048	4 418	4 624	4 624	4 624	5 749	6 178	6 638
Cellphone Allowance			-	-	-	-	13	13	13	44	47	50
Housing Allowances			243	412	417	591	596	596	596	593	637	684
Other benefits and allowances			2 487	2 612	3 090	3 521	4 287	4 287	4 287	3 782	4 063	4 366
Payments in lieu of leave			442	555	2 212	935	935	935	935	984	1 038	1 095
Long service awards			-	-	-	-	266	266	266	521	560	601
Post-retirement benefit obligations	4		2 843	1 606	1 720	-	2 289	2 289	2 289	2 388	2 519	2 658
sub-total	5		61 588	66 039	75 140	85 039	88 811	88 811	88 811	97 794	105 008	112 758
Less: Employees costs capitalised to PPE												
Total Employee related costs	1		61 588	66 039	75 140	85 039	88 811	88 811	88 811	97 794	105 008	112 758
Contributions recognised - capital												
List contributions by contract			-	-	-	-	-	-	-	-	-	-
Total Contributions recognised - capital			-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment												
Depreciation of Property, Plant & Equipment			10 394	8 745	9 045	10 830	10 290	10 290	10 280	10 825	11 421	12 049
Lease amortisation			-	-	-	-	-	-	-	-	-	-
Capital asset impairment			714	23	240	-	-	-	-	-	-	-
Depreciation resulting from revaluation of PPE	10		-	-	-	-	-	-	-	-	-	-
Total Depreciation & asset impairment	1		11 109	8 768	9 285	10 830	10 290	10 290	10 290	10 825	11 421	12 049
Bulk purchases												
Electricity Bulk Purchases			40 391	46 134	50 442	53 280	53 411	53 411	53 411	57 319	60 471	63 797
Water Bulk Purchases			-	-	-	-	-	-	-	-	-	-
Total bulk purchases	1		40 391	46 134	50 442	53 280	53 411	53 411	53 411	57 319	60 471	63 797
Transfers and grants												
Cash transfers and grants			1 390	1 443	1 484	1 482	7 463	7 463	7 463	2 372	3 067	3 167
Non-cash transfers and grants			-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1		1 390	1 443	1 484	1 482	7 463	7 463	7 463	2 372	3 067	3 167
Contracted services												
List services provided by contract			-	-	-	-	-	-	-	-	-	-
Outsourced Services - Administrative and Support Staff			-	-	-	-	1 381	1 381	1 381	-	-	-
Outsourced Services - Alien Vegetation Control			-	-	-	-	114	114	114	118	124	131
Outsourced Services - Burial Services			-	-	-	-	14	14	14	14	15	16
Outsourced Services - Business and Advisory			-	-	-	-	2 782	2 782	2 782	1 882	1 980	2 083
Outsourced Services - Meter Management			-	-	-	-	241	241	241	245	259	273
Outsourced Services - Personnel and Labour			-	-	-	-	1 245	1 245	1 245	-	-	-
Outsourced Services - Sewerage Services			-	-	-	-	1	1	1	-	-	-
Outsourced Services - Security Services			-	-	-	-	820	820	820	998	1 053	1 111
Contractors - Building			-	-	-	-	-	-	-	9 780	15 730	8 000
Contractors - Electrical			-	-	-	-	31	31	31	31	33	35
Contractors - Event Promoters			-	-	-	-	35	35	35	35	35	36
Contractors - Exhibit Installations			-	-	-	-	20	20	20	21	23	24
Contractors - Maintenance of Buildings and Facilities			-	-	-	-	828	828	828	805	851	898
Contractors - Maintenance of Equipment			-	-	-	-	55	55	55	55	58	61
Contractors - Maintenance of Unspecified Assets			-	-	-	-	1 065	1 065	1 065	1 041	1 093	1 154
Contractors - Pest Control and Fumigation			-	-	-	-	21	21	21	22	23	24
Contractors - Plants, Flowers and Other Decorations			-	-	-	-	2	2	2	2	2	3
Consultants and Professional Services - Business and Advisory			-	-	-	-	1 643	1 643	1 643	2 301	1 607	1 616
Consultants and Professional Services - Legal Cost			-	-	-	-	650	650	650	684	721	761
Consultants and Professional Services - Laboratory Services			-	-	-	-	365	365	365	384	405	427
Consultants and Professional Services - Infrastructure and Planning			-	-	-	-	-	-	-	657	157	175
sub-total	1		-	-	-	-	11 314	11 314	11 314	19 075	24 179	14 828
Allocations to organs of state:												
Electricity			-	-	-	-	-	-	-	-	-	-
Water			-	-	-	-	-	-	-	-	-	-
Sanitation			-	-	-	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-	-	-	-
Total contracted services			-	-	-	-	11 314	11 314	11 314	19 075	24 179	14 828



WC034 Swellendam - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
Other Expenditure By Type											
Collection costs		-	-	-	-	-	-	-	-	-	-
Contributions to 'other' provisions		-	-	-	-	-	-	-	-	-	-
Consultant fees		-	-	-	-	-	-	-	-	-	-
Audit fees	3	3 082	2 653	2 112	2 700	2 650	2 650	2 650	2 788	2 941	3 103
General expenses		-	-	-	-	-	-	-	-	-	-
List Other Expenditure by Type		-	-	-	-	-	-	-	-	-	-
Advertising, Publicity and Marketing		283	318	284	322	282	282	282	293	309	326
Assets less than the Capitalisation Threshold		-	-	-	-	4	4	4	3	3	3
Bad Debts Written Off		714	-	3 364	-	4 491	4 491	4 491	4 724	4 884	5 258
Bank Charges		660	639	711	772	780	780	780	821	866	913
Cleaning Services		28	48	57	-	89	89	89	93	98	104
Communication		-	-	-	-	2 454	2 454	2 454	2 279	2 404	2 536
Cost relating to the Sale of Houses		-	-	-	-	32	32	32	34	36	38
Entertainment		180	127	155	185	160	150	150	162	170	179
External Computer Service		-	-	-	-	580	580	580	47	50	53
Full Time Union Representative		-	-	-	-	70	70	70	76	80	84
Hire Charges		987	1 171	795	-	1 191	1 191	1 191	1 253	1 322	1 394
Honoraria (Voluntary Workers)		-	-	-	-	10	10	10	5	5	6
Insurance Underwriting		658	550	469	553	882	882	882	932	983	1 037
Levies Paid		-	-	-	-	123	123	123	129	136	144
Licences		221	142	143	214	6 639	6 639	6 639	6 979	7 353	7 788
Municipal Services		-	-	-	-	-	-	-	-	-	-
Operating Leases		31	9	-	-	54	54	54	56	59	63
Printing, Publications and Books		-	-	-	-	71	71	71	601	634	669
Professional Bodies, Membership and Subscription		-	-	-	-	968	968	968	953	1 018	1 093
Protective clothing		-	-	-	-	46	46	46	48	51	54
Registration Fees		-	-	-	-	865	865	865	910	960	1 012
Remuneration to Ward Committees		-	-	-	-	46	46	46	40	42	45
Services and Land Surveys		-	-	-	-	27	27	27	27	30	31
Statutory Payments other than Income Taxes		-	-	-	-	70	70	70	73	78	81
Travel and Subsistence		580	515	605	641	584	584	584	578	610	644
Workmen's Compensation Fund		369	370	423	519	504	504	504	531	570	610
Agency Fees		1 618	2 599	2 930	5 505	-	-	-	-	-	-
Audit Committee Fees		58	63	53	54	-	-	-	-	-	-
Consultant fees		-	-	-	1 875	-	-	-	-	-	-
Fuel		86	75	45	80	-	-	-	-	-	-
General expenses		37 354	30 870	18 621	1 223	-	-	-	-	-	-
GIS		-	98	92	235	-	-	-	-	-	-
Grants projects		1 390	1 443	1 484	4 064	-	-	-	-	-	-
Laboratory services		301	231	228	276	-	-	-	-	-	-
Legal fees		236	217	513	339	-	-	-	-	-	-
Machinery hire		967	1 171	795	948	-	-	-	-	-	-
Meter replacement		94	87	33	142	-	-	-	-	-	-
Monitoring fees		-	228	188	321	-	-	-	-	-	-
Repairs and maintenance		11 993	-	-	2 027	-	-	-	-	-	-
Postage		666	741	720	659	-	-	-	-	-	-
Refuse bags		182	478	485	520	-	-	-	-	-	-
Security		756	583	631	806	-	-	-	-	-	-
Shared services		-	69	110	169	-	-	-	-	-	-
Stationery		486	579	587	652	-	-	-	-	-	-
Subscriptions		638	718	752	861	-	-	-	-	-	-
Telephone cost		1 357	1 432	1 516	1 615	-	-	-	-	-	-
Training		1 513	956	1 003	859	-	-	-	-	-	-
Valuation cost		83	22	85	1 400	-	-	-	-	-	-
Vehicle running cost		2 999	2 685	2 947	3 351	-	-	-	-	-	-
Vehicles rentals		73	139	269	477	-	-	-	-	-	-
Total 'Other' Expenditure	1	70 747	52 117	43 509	35 853	23 671	23 671	23 671	24 435	25 802	27 248
by Expenditure Item											
Employee related costs	8	-	-	-	-	-	-	-	-	-	-
Other materials		11 993	10 960	12 737	14 629	13 130	13 130	13 130	14 894	15 166	16 108
Contracted Services		-	-	-	-	1 979	1 979	1 979	2 089	2 201	2 322
Other Expenditure		-	-	-	2 027	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	9	11 993	10 960	12 737	16 656	15 109	15 109	15 109	16 983	17 367	18 430



Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

WC034 Swellendam - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

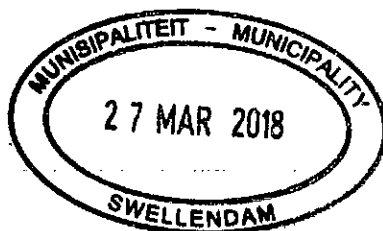
Description	Ref	Vote 1 - Municipal Manager	Vote 2 - Corporate Services	Vote 3 - Financial Services	Vote 4 - Engineers Service	Vote 5 - Community Services	Total
R thousand	1						
Revenue By Source							
Property rates		-	-	36 511	-	-	36 511
Service charges - electricity revenue		-	-	-	78 150	43	78 193
Service charges - water revenue		-	-	-	17 285	-	17 285
Service charges - sanitation revenue		-	-	-	14 144	-	14 144
Service charges - refuse revenue		-	-	-	-	8 461	8 461
Service charges - other		-	-	-	-	-	-
Rental of facilities and equipment		15	156	-	-	355	525
Interest earned - external investments		-	-	3 366	-	-	3 366
Interest earned - outstanding debtors		-	-	941	-	-	941
Dividends received		-	-	-	-	-	-
Fines, penalties and forfeits		-	26	-	-	28 026	28 052
Licences and permits		-	-	16	-	841	857
Agency services		-	-	-	-	1 540	1 540
Other revenue		-	785	441	200	2 064	3 490
Transfers and subsidies		360	29 001	2 100	3 511	14 806	49 878
Gains on disposal of PPE		-	1 000	-	-	-	1 000
Total Revenue (excluding capital transfers and contributions)		375	30 957	43 376	113 390	56 137	244 244
Expenditure By Type							
Employee related costs		2 878	13 042	19 772	33 519	28 583	97 794
Remuneration of councillors		-	5 228	-	-	-	5 228
Debt impairment		-	-	-	1 717	19 323	21 040
Depreciation & asset impairment		-	307	716	6 408	3 384	10 825
Finance charges		-	4 941	-	-	449	5 390
Bulk purchases		-	-	-	57 319	-	57 319
Other materials		124	990	1 968	12 296	5 539	28 917
Contracted services		550	2 565	3 023	1 905	11 033	19 075
Transfers and subsidies		1 802	570	-	-	-	2 372
Other expenditure		1 119	4 699	6 699	6 230	5 488	24 435
Loss on disposal of PPE		-	-	-	-	-	-
Total Expenditure		6 473	32 542	32 178	119 392	73 811	264 395
Surplus/(Deficit)		(6 098)	(1 575)	11 198	(6 002)	(17 674)	(28 152)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	-	11 491	-	11 491
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(6 098)	(1 575)	11 198	5 489	(17 674)	(8 661)



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SA32 – List of external mechanisms

The municipality has none, therefore the table is not included.



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Section 16 – Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In-year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the executive mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the municipality's website.

2. Internship program

The municipality is participating in the Municipal Financial Management Internship program and has employed four interns undergoing training in various divisions of the Financial Services Department.

3. Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA.

4. Audit Committee

An Audit Committee has been established and is fully functional.

5. Service Delivery and Implementation Plan

The detail SDBIP document is in a draft stage and will be finalized after the approval of the 2018/19 MTREF in May 2018 and will be directly aligned and informed by the 2018/19 MTREF.

6. Annual Report

The Annual report is compiled in terms of the MFMA and National Treasury requirements.

7. MMC Training

The University of Stellenbosch has proposed a new schedule of dates for the full MMC – program in 2018 to give those who are busy an opportunity to complete. Nearly all financial employees finished their MMC training program.

8. Policies



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Revised policies in terms of the Municipal Budget and Reporting Regulations are tabled with the 2018/19 MTREF.

Section 17 - Municipal manager's quality certificate

I, H.B. Schlebusch, acting Municipal Manager of Swellendam Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

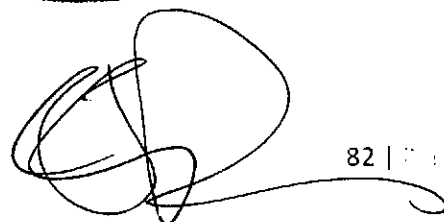
Print Name H B SCHLEBUSCH

Acting Municipal Manager of Swellendam Municipality (WC034)

Signature 

Date 23/3/2018









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